

# **RURAL ECONOMIC DEVELOPMENT STRATEGY**

*State of Indiana*



---

---

**Prepared by  
Indiana Rural Development Council  
October 2002**

---

---



## TABLE OF CONTENTS

<b>Letter From The Indiana Rural Development Council .....</b>	<b>2</b>
<b>Introduction.....</b>	<b>3</b>
<b>Executive Summary .....</b>	<b>5</b>
<b>Legislation .....</b>	<b>9</b>
<b>Conditions in Rural Indiana .....</b>	<b>10</b>
<b>Focus Group Reports .....</b>	<b>23</b>
Job Creation/Retention, Workforce Development Focus Group Report.....	24
Infrastructure Focus Group Report .....	36
Housing Focus Group Report .....	44
Health Care Focus Group Report.....	53
Local Planning Focus Group Report.....	61
Land Use Focus Group Report.....	69
Leadership Development Focus Group Report.....	76
Agricultural Development Focus Group Report.....	82
Social and Cultural Issues Focus Group Report .....	90
Technology/Education Issues Focus Group Report.....	101
<b>Focus Group Members .....</b>	<b>112</b>

October, 2002

Dear Friends of Rural Indiana:

In Indiana, 35% of our six million residents live in rural areas. And while our rural residents expect similar services from local government as urban areas, these communities generally lack the tax base, staff and full-time leadership to support them. Therefore, many small towns lack the resources to provide the quality of life that their residents deserve.

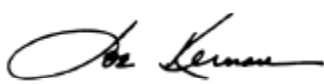
Since its inception in 1993, the concept of the Indiana Rural Development Council (IRDC) has based on partnerships. Our mission states that we are a partnership of local, state, federal, profit and not-for-profit stakeholders that support Indiana communities. The IRDC's purpose is to coordinate efforts of citizens and governments to meet the economic and social needs of rural Indiana. The Council has responded to a variety of issues, and it has been proactive in identifying issues and activities that benefit rural Indiana.

In July 2001, the Indiana General Assembly asked the IRDC to develop a rural economic development strategy to assist Indiana's rural residents to improve their quality of life and to help promote successful and sustainable rural communities. The General Assembly requested the IRDC to develop this strategy for Indiana by October 2002 (see Senate Enrolled Act No. 160 Page 9). It is with great enthusiasm that we share our Executive Summary and focus group reports with you today.

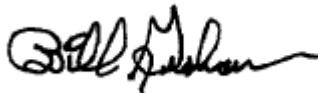
Ten focus groups met to discuss rural issues and developed the attached reports during March, April and May of 2002. While some of the IRDC's recommendations were addressed during the 2002 special session of the General Assembly, the IRDC's governing board elected to incorporate each of the 10 issue reports as presented by the focus groups. It is also important to note that the attached document does not represent the views of any one organization or individual, but rather is a document developed from many differing viewpoints presented by the participants.

We want to thank the IRDC members, rural leaders, and partnering organizations for their participation and commitment in developing these recommendations for legislative and administrative consideration. The strength of Indiana's rural awareness and concern is showcased in this report.

Sincerely,



Joseph E. Kernan  
Lieutenant Governor  
IRDC Board Member



William H. Graham  
Mayor, City of Scottsburg  
IRDC Chairman



Robert M. White  
USDA Rural Development  
IRDC Board Member

## INTRODUCTION

The Indiana General Assembly passed legislation effective July 1, 2001, to develop an annual rural economic development strategy for Indiana. The purpose is to assist the state's rural residents in improving their quality of life and to help promote successful and sustainable rural communities.

The General Assembly charged the Indiana Rural Development Council to:

- Work with other public and private partners to examine the various issues impacting rural Indiana;
- Devise a strategy that fosters rural development; and
- Recommend to the Indiana General Assembly ways to successfully address the unique challenges faced by rural Indiana residents.



*Members of the Indiana Rural Development Council join Governor Frank O'Bannon and members of the General Assembly as the Governor signs Senate Enrolled Act No. 160 into law on May 15, 2001.*

The General Assembly called upon the Indiana Rural Development Council (IRDC) because it is a partnership of local, state, federal, profit and not-for-profit stakeholders that serve rural Indiana communities. The IRDC's purpose is to coordinate efforts of citizens and governments to meet the economic and social needs of rural Indiana. The IRDC established the following methodology to fulfill the Indiana General Assembly's request:

1. Rural Economic Development Strategy (REDS) focus groups gathered strategies and economic plans from other groups and organizations to provide background information and research documentation.

2. The IRDC coordinated focus groups on each issue to be included in the plan and facilitated at least two meetings of each group to brainstorm specific issues and possible solutions for addressing them. Solutions were prioritized and suggested actions were included in the final report.
3. Reports of each focus group were compiled and distributed for additional review and comment.
4. The final REDS report will be distributed to members of the Indiana General Assembly in October 2002.

## EXECUTIVE SUMMARY

**Background:** To develop the Rural Economic Development Strategy, the IRDC organized 10 focus groups to address the following rural development issues related to economic development:

- Job creation/retention and workforce development;
- Infrastructure;
- Housing;
- Health care;
- Local planning;
- Land use;
- Leadership;
- Agricultural development;
- Social and cultural issues; and
- Technology and education issues.

These focus groups held meetings with a wide variety of interested individuals and organizations around the state to examine these issues. The Rural Economic Development Strategy report is a summary of those deliberations. Recommendations made by the task force participants for administrative and legislative actions are designed to improve the quality of life in rural Indiana.

**Summary:** Rural residents in Indiana generally do not enjoy the same quality of life as their urban counterparts in many respects. Rural residents lack services, choices and opportunities in areas such as job and income opportunities, educational achievements, health care, housing and infrastructure. Unique challenges exist in rural areas for creating progressive communities in which to live, work and raise a family.

Many individuals and organizations, all deeply interested in the economic future of rural Indiana, voluntarily participated in the discussions surrounding the 10 issues identified for examination. Despite the varying perspectives, four common themes emerged from these discussions regarding the needs for a better future in rural Indiana:

1. Leadership;
2. Planning;
3. Collaboration and Partnerships; and
4. Flexibility.

1. **Leadership:** *Visionary leaders are key for rural communities to address quality of life issues.*

Focus group participants believe leadership in rural areas is key to adjusting to a new landscape that includes new demographics of rural Indiana, such as:

- Changing farm conditions;
- Bank consolidations;
- Challenges to small rural businesses posed by large national stores; and
- Global challenges to manufacturing jobs.

Leaders must educate the whole community, facilitate discussion and forge collaborative solutions to these challenges.

Leadership capacity – both elected and non-elected – is the foundation of strong economic and community development. Leaders help the community address quality of life issues that make each community unique.

Focus groups participants believe rural leadership should be recruited, encouraged and cultivated. Community members must feel their involvement is both welcome and effective. Youth should be educated about the need for community leadership and given opportunities to demonstrate their commitment to civic life.

Leadership development programs for rural residents should be a priority. A lack of knowledge about basic public and private programs that address social and economic problems impedes progress. Effective community decision-making is dependent upon enlightened local leadership. Local, state and regional investments in leadership development will pay dividends through effective and efficient community problem solving.

2. **Planning:** *Communities, organizations and governments must look ahead to determine the impact of today's decisions and actions.*

Task force participants strongly stated that collaborative efforts must also consider planning for the future - looking beyond the next election - to envision continual improvement, and they should include all stakeholders in the community. There must be coordination among federal, state and local governments on rural development issues, which is consistent with the mission of the Indiana Rural Development Council.

- *Economic Development* - Economic development is largely a local issue, and local officials need to remain in control of the process. Rural communities must actively engage in their own planning to accomplish this. Economic development includes many issues, such as workforce development, infrastructure, land use and quality of life. Rural communities should look for opportunities to leverage resources on a regional basis. Competition for economic development is not just between communities within a county. Competition exists with other states, and even other countries.

- *Technology* - The technological revolution has made it less important where workers live, opening up opportunities for rural areas. To be competitive, rural residents and businesses must have access to electronic connectivity that bridges the digital divide. State and local planning for access to this infrastructure is critical for rural areas to take advantage of this opportunity.
- *Education* - Planning for a quality elementary, secondary and post secondary education system that addresses the needs of students – young and old – is critical, but often difficult because of the necessary involvement from several levels and sectors. The education and training system must create a skilled workforce adaptable to change and ready for a lifetime of learning opportunities.

3. **Collaborations and Partnerships:** *More than ever, rural leaders need to look beyond their own communities and organizations for solutions.*

Successful community and economic development in rural Indiana depends on collaborations between rural stakeholders. Partnering among federal, state and local governments, as well as the private sector, is essential. This way, strengths of each organization are capitalized and a synergy of efforts emerges.

Since 1993, the Indiana Rural Development Council has operated on this philosophy of partnership and can serve as an example of collaboration. Human capital and financial resources must be shared among entities to take full advantage of innovation and experience.

4. **Flexibility:** *Solutions and tools will vary by county and community. Flexibility is critical.*

State and federal policies should recognize that every community is at a different place along the economic development continuum. Residents should have flexibility in adapting state and federal policies to their own communities. Local residents know their problems and, if given the right tools, are in the best position to craft their own solutions. State and federal officials should recognize this and provide latitude without burdensome regulations and legislative mandates that impede solutions or add administrative and financial costs. One size or approach does not fit all communities.

Although many areas of rural Indiana face common problems as outlined in a following section of this report, individual rural communities have unique problems requiring unique solutions. For example, some areas are experiencing population growth causing land use and infrastructure pressures, while others are experiencing stagnant or decreasing populations and must scramble to attract new businesses for employment opportunities.

The groups also requested that agencies adjust their administrative and compliance rules to keep them practical for rural communities that do not have access to the same financial and technical resources as their urban counterparts. Policy makers,



regulators, and local residents must strive for effective approaches to problems based on local ownership and coordinated financial and technical assistance.



The Indiana Rural Development Council is a partnership of federal, state and local governments, the non-profit and the for-profit sectors. The purpose of the Council is to coordinate the efforts of citizens and governments to meet the economic and social needs in rural Indiana.

The attached issues reports do not represent the views of any organization or individual, but rather is a document developed from many differing viewpoints presented by the participants. These focus group reports have been incorporated as presented by the focus groups.

**SENATE ENROLLED ACT No. 160**

AN ACT to amend the Indiana Code concerning state offices and administration.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 4-4-9.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]:

Chapter 9.5. Indiana Rural Development Council

Sec. 1. As used in this chapter, "council" refers to the Indiana Rural Development Council established by the 1993 memorandum of understanding between Indiana and the United States Department of Agriculture.

Sec. 2. With the approval of the governing board of the council, the council shall do the following:

(1) Develop a rural economic development strategy for Indiana to assist Indiana's rural residents in improving their quality of life and to help promote successful and sustainable rural communities. The rural economic development strategy must include goals and recommendations concerning the following issues:

- (A) Job creation and retention.
- (B) Infrastructure, including water, wastewater, and storm water infrastructure needs.
- (C) Housing.
- (D) Workforce training.
- (E) Health care.
- (F) Local planning.
- (G) Land use.
- (H) Assistance to regional rural development groups.
- (I) Other rural development issues, as determined by the council.

(2) Beginning in 2002, submit before October 1 of each year an annual report to the legislative council. A report submitted under this section is intended to do the following:

- (A) Inform the general assembly of the council's work during the period covered by the report.
- (B) Assist the general assembly in monitoring issues affecting rural communities and responding to the needs of rural residents.

(3) Testify concerning rural development issues before any standing committee or study committee established by the general assembly, as requested by the legislative council.

Sec. 3. The council may contract with any regional rural development group for assistance in developing the rural economic development strategy required under this chapter.

SEA 160 \_ Concur

## CONDITIONS IN RURAL INDIANA

Rural Indiana faces significant challenges. In some cases these challenges are markedly different than those faced by urban residents. Rural residents lag behind their urban counterparts in critical areas such as health care, employment, economic development, education, housing, infrastructure and income.

This section provides a statistical analysis comparing Indiana's urban and rural counties. There are several definitions available to define "rural". For purposes of this report, "rural" residents and counties are defined as:

- ⇒ Residents who live in areas with populations less than 2,500.
- ⇒ Counties that have approximately one-half of their populations living outside of areas of 2,500 or more residents.

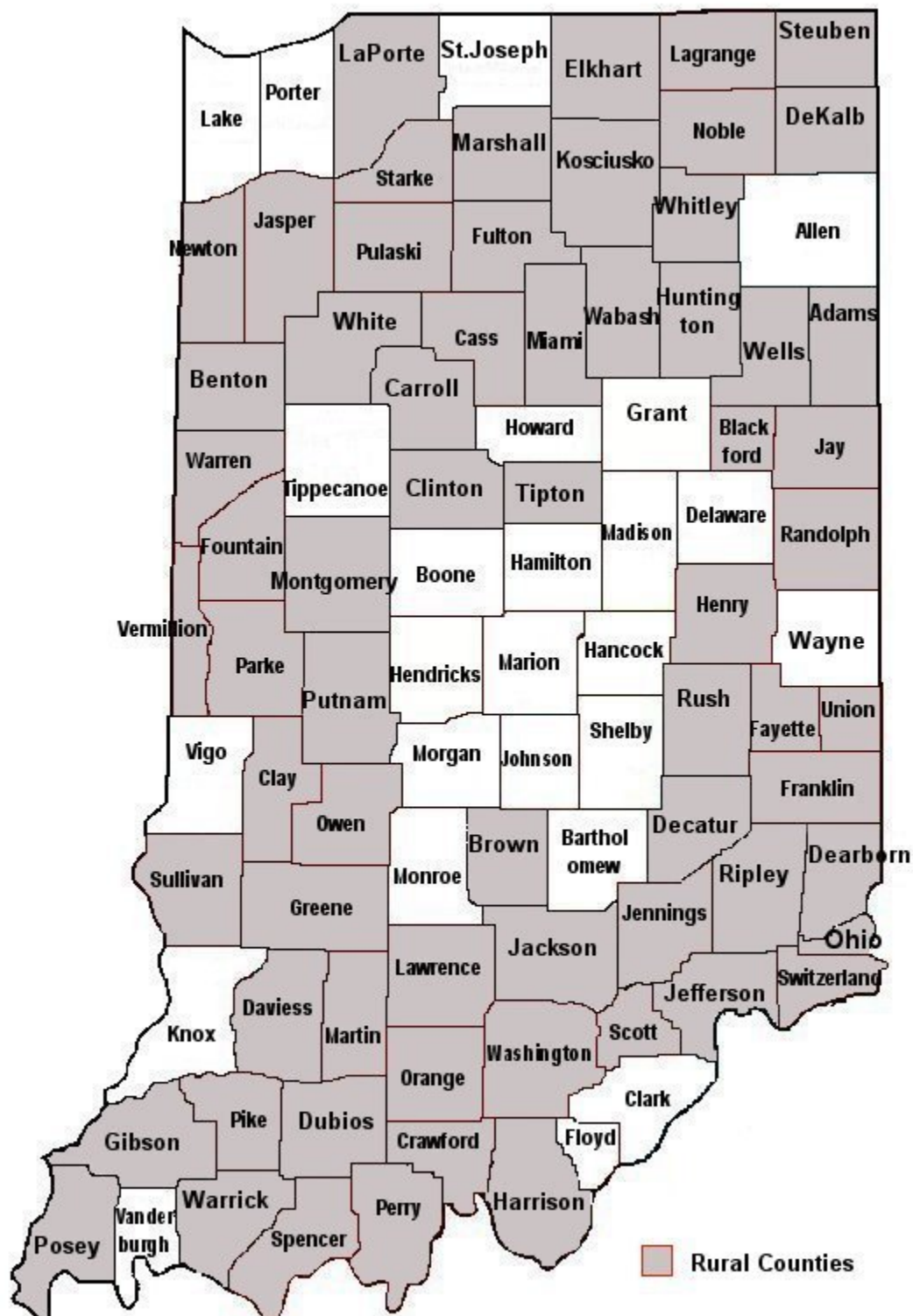
Using this definition, 67 Indiana counties are considered rural (see next page for a map showing rural and urban counties).

While the definition for rural may be debated, it is clear that rural leadership and residents are facing difficult circumstances in their desire to improve the quality of life and to create a community for their children to live, learn, work and raise a family.

The following pages provide a condensed overview of the status of rural counties in Indiana versus their urban counterparts in seven critical areas:

- ⇒ Education
- ⇒ Business growth
- ⇒ Health care
- ⇒ Infrastructure
- ⇒ Employment
- ⇒ Housing
- ⇒ Income

Additional information on the status of Indiana counties is available at [www.stats.indiana.edu](http://www.stats.indiana.edu).



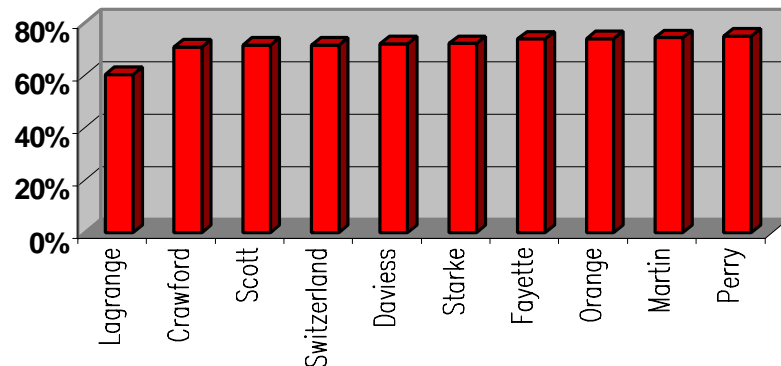
## RURAL CONDITIONS: EDUCATION

*The new economy places a premium on the life long learning capacity of all workers.*

- ⇒ The 10 counties with the lowest percentage of adult residents 25 and older with at least a high school degree in 2000 are all rural counties.
- ⇒ Seven of the 10 counties with the highest percentage of adult residents 25 and older with at least a high school degree in 2000 are urban counties.
- ⇒ Four of the seven urban counties with the highest percentage of adult residents 25 and older with at least a high school degree are in the Indianapolis metro area.

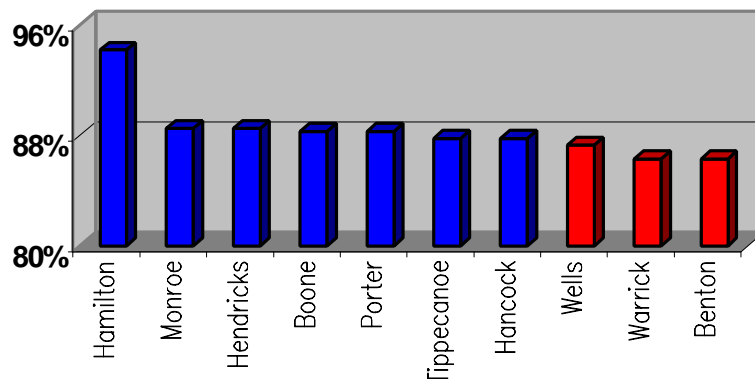
Source: U.S. Census  
2000/STATS Indiana

**Ten Counties with the Lowest Percentage of HS Grads 2000**



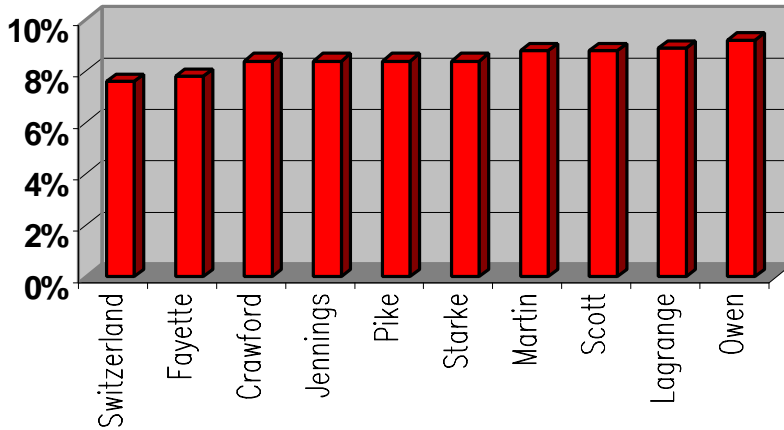
**Red = Rural      Blue = Urban**

**Ten Counties with the Highest Percentage of HS Grads 2000**



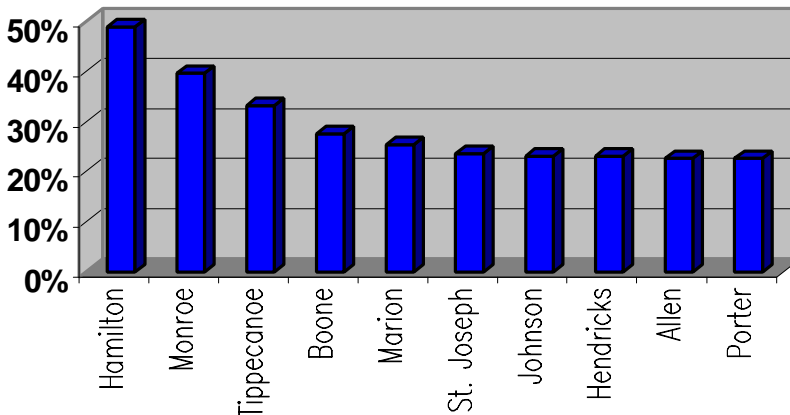
## RURAL CONDITIONS: EDUCATION

**Ten Counties with the Lowest Percentage of BA/BS Degree Holders 2000**



**Red = Rural      Blue = Urban**

**Ten Counties with the Highest Percentage of BA/BS Degree Holders 2000**



*As the workplace becomes more reliant on technology, advanced education becomes more important.*

⇒ All 10 counties with the lowest percentage of Bachelor's Degree holders age 25 or older in 2000 are rural.

⇒ All 10 counties with the highest percentage of Bachelor's Degree holders age 25 or older in 2000 are urban.

**Source: U.S. Census 2000/STATS Indiana**

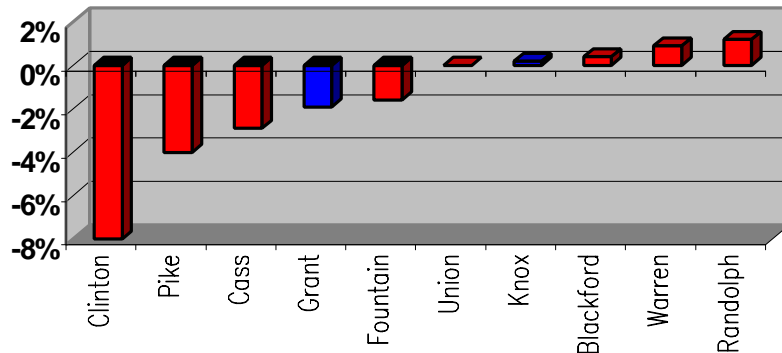
## RURAL CONDITIONS: BUSINESS GROWTH

*Economic growth is critical in order for rural areas to prosper and grow.*

- ⇒ Eight of the 10 counties with the smallest percentage increase in the number of business establishments from 1991-2000 are rural.
- ⇒ Five of the six counties with negative or no business growth during 1991-2000 are rural.
- ⇒ Six of the 10 counties with the largest percentage increase in the number of business establishments from 1991-2000 are urban. Five of these six urban counties are in the Indianapolis metro area.

Source: U.S. Census Bureau County Business Patterns 1991 and 2000 (Total Establishments)

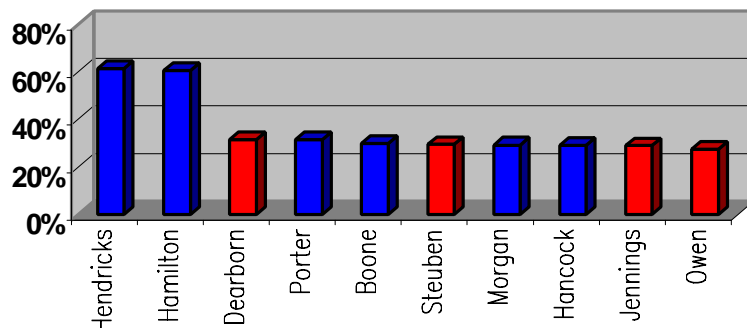
**Ten Counties with the Smallest Increase in Number of Businesses 1991-2000**



**Red = Rural**

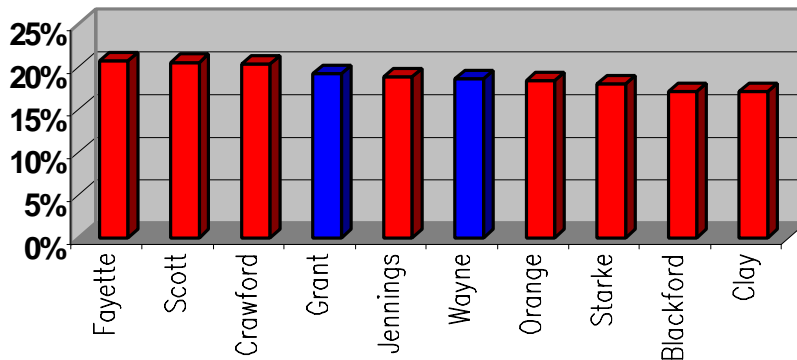
**Blue = Urban**

**Ten Counties with the Largest Increase in Number of Businesses 1991-2000**



## RURAL CONDITIONS: HEALTH CARE

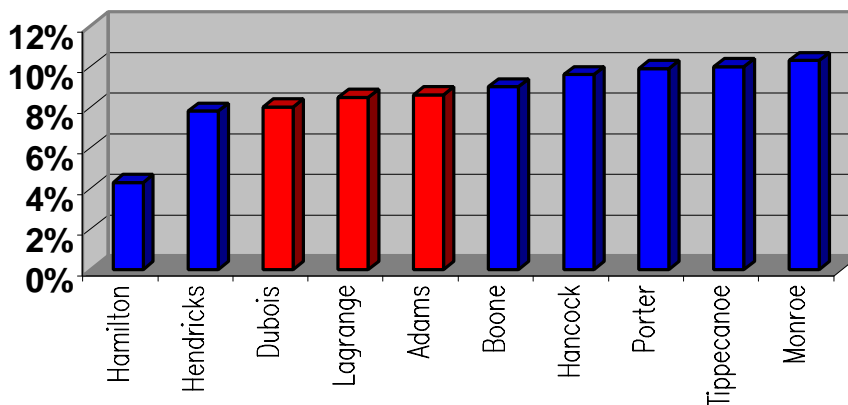
**Ten Counties with the Highest Percentage of Births to Teens 1990-2000**



**Red = Rural**

**Blue = Urban**

**Ten Counties with the Lowest Percentage of Births to Teens 1990-2000**



*Births to teenagers typically put unique demands on a community's educational, medical, economic and social service resources.*

⇒ Eight of the 10 counties with the highest percentage of births to teens from 1990-2000 are rural counties.

⇒ Seven of the 10 counties with the lowest percentage of births to teens from 1990-2000 are urban counties.

Source: Average 1990-2000: Indiana State Department of Health - STATS Indiana



## RURAL CONDITIONS: HEALTH CARE

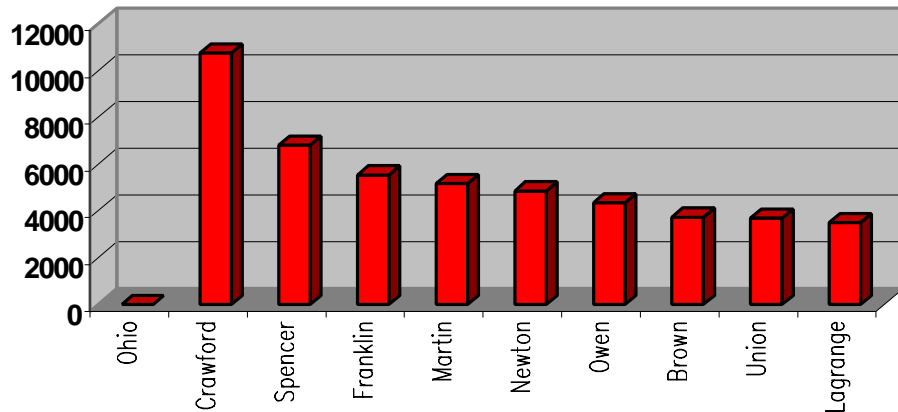
*Health care and the availability of a primary care physician are critical for the well being of a community.*

⇒ All 10 of the counties with the highest per capita rate for health care by a resident physician are rural.

⇒ All 10 of the counties with the lowest per capita rate for health care by a resident physician are urban.

Source: Number of MD's 1997/Population 2000: Indiana Health Professions Bureau - STATS Indiana

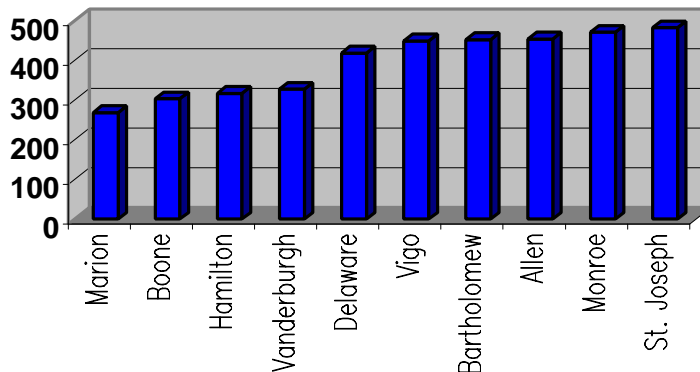
Ten Counties with the Fewest Physicians Per Capita



Red = Rural

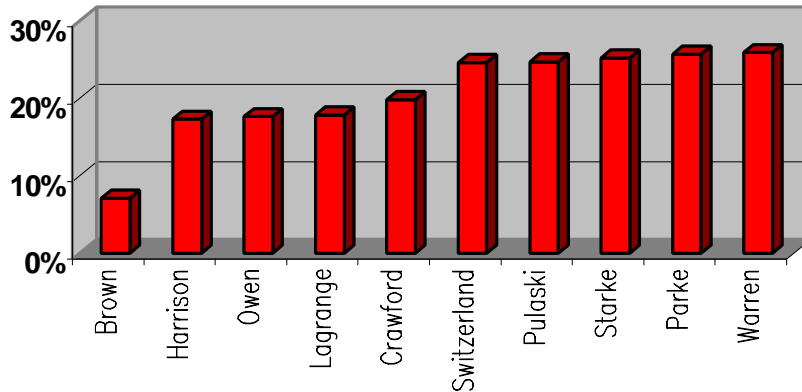
Blue = Urban

Ten Counties with the Most Physicians Per Capita



## RURAL CONDITIONS: INFRASTRUCTURE

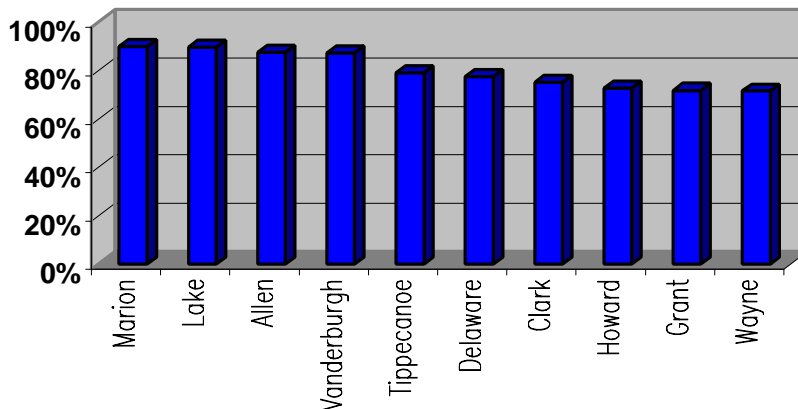
**Ten Counties with the Lowest Percentage of Homes With Public Wastewater Disposal Service 1990**



**Red = Rural**

**Blue = Urban**

**Ten Counties with the Highest Percentage of Homes With Public Wastewater Disposal Service 1990**



*Rural communities are facing the challenge of failing, aging private septic systems threatening economic development, housing development and public health.*

⇒ All 10 of the counties with the lowest percentage of homes with public wastewater disposal service in 1990 are rural.

⇒ All 10 of the counties with the highest percentage of homes with public wastewater disposal service in 1990 are urban.

Source: U.S. Census 1990

## RURAL CONDITIONS: INFRASTRUCTURE

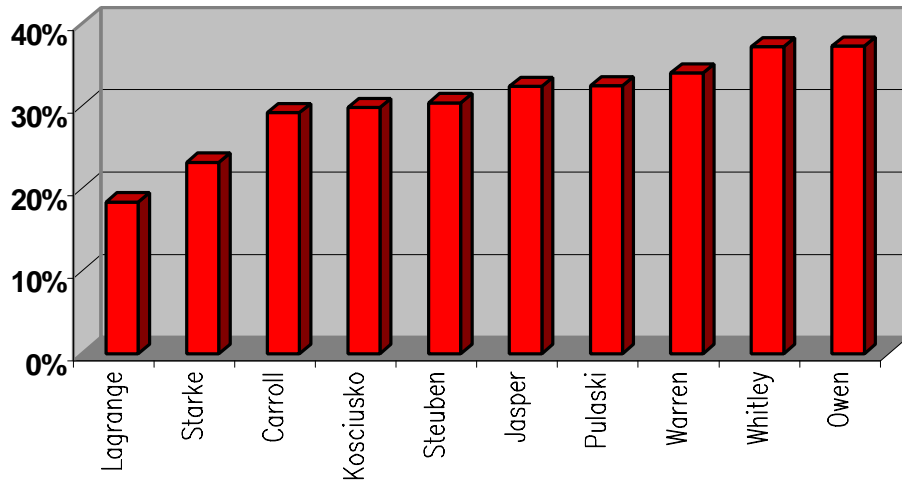
*A reliable source of safe and plentiful water is important to the economic and physical well being of rural areas.*

⇒ All 10 of the counties with the lowest percentage of homes with public or private water company service in 1990 are rural.

⇒ Six of the 10 counties with the highest percentage of homes with public or private water company service in 1990 are urban.

Source: U.S. Census 1990

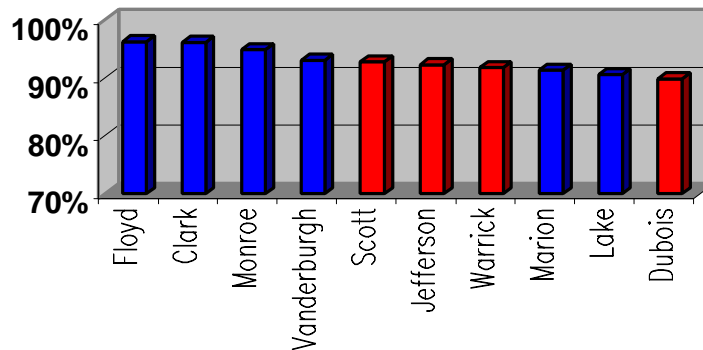
**Ten Counties with the Lowest Percentage of Homes With Public or Private Water Company Service 1990**



**Red = Rural**

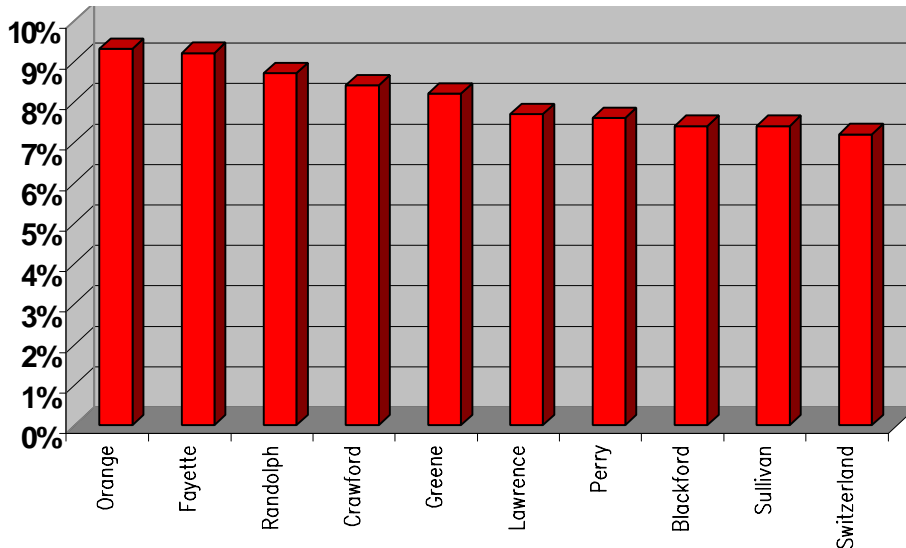
**Blue = Urban**

**Ten Counties with the Highest Percentage of Homes With Public or Private Water Company Service 1990**



## RURAL CONDITIONS: EMPLOYMENT

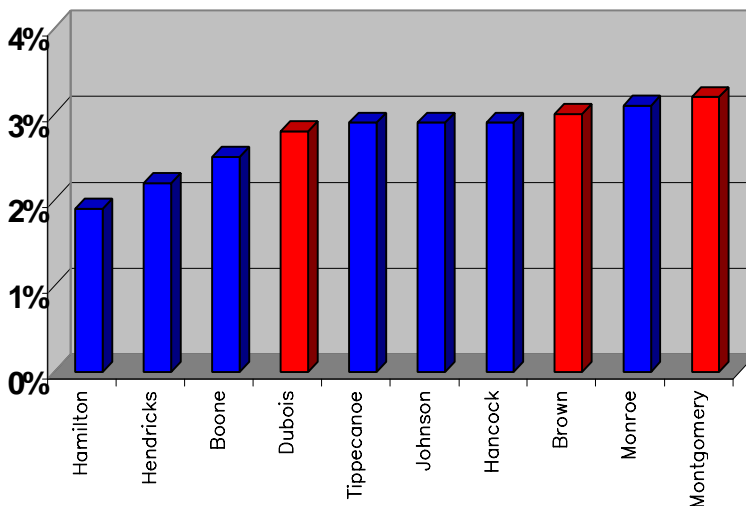
Ten Counties with Highest Unemployment Rate 1990-2001



Red = Rural

Blue = Urban

Ten Counties with Lowest Unemployment Rate 1990-2001



*An indicator of a community's economic health is its average unemployment rate over a period of time.*

⇒ All 10 of the counties with the highest average unemployment rates over the past twelve years are rural.

⇒ Seven of the 10 counties with the lowest average unemployment rates over the past twelve years are urban. Five of these seven urban counties are in the Indianapolis metro area.

Source: Indiana Dept. of Workforce Development/STATS Indiana; Average for 1990/92/94/96/98/00/01

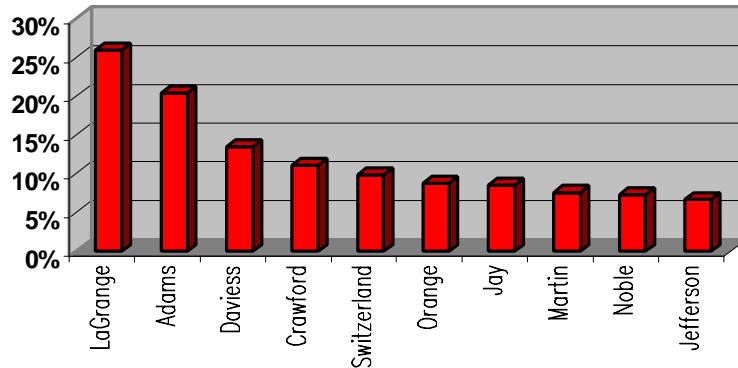
## RURAL CONDITIONS: HOUSING

*An indicator of housing quality can be constructed by adding the percentage of households that lack the following basic characteristics: complete plumbing defined as hot and cold piped water, a bath tub or shower, and a flush toilet; complete kitchen facilities defined as a sink with piped water, a cook top and oven, and a refrigerator; and a working telephone.*

- ⇒ Note: the resulting percentage does not represent the total percent of households lacking these items as there is likely some overlap.
- ⇒ All 10 of the counties with the highest combined percentages in 2000 are rural.
- ⇒ Seven of the 10 counties with the lowest combined percentages in 2000 are urban.

Source: U.S. Census 2000 Profile of Selected Housing Characteristics

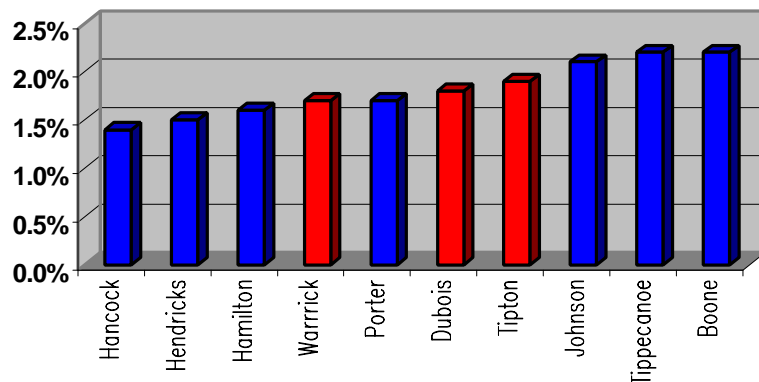
**Highest Combined Percentage of Households Lacking Plumbing, Kitchen, Telephone in 2000**



**Red = Rural**

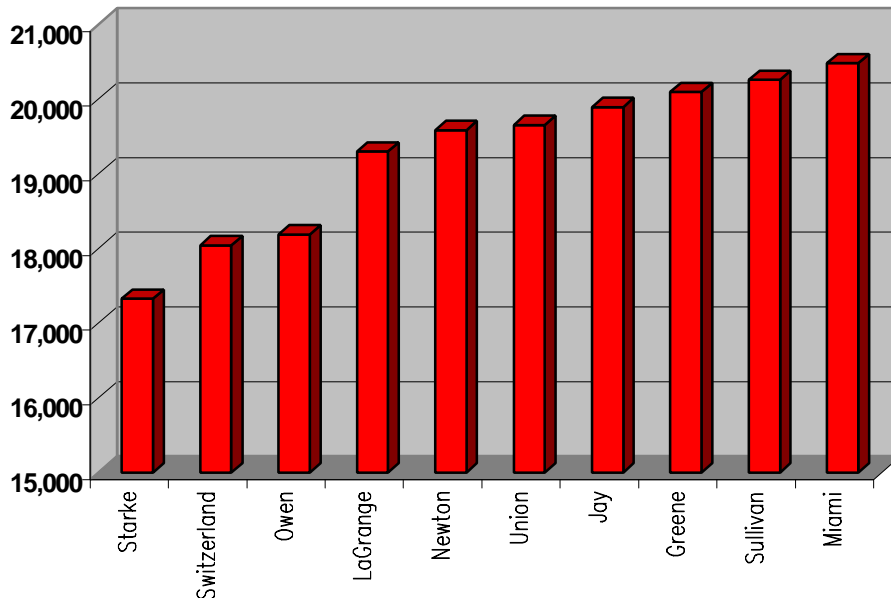
**Blue = Urban**

**Lowest Combined Percentage of Households Lacking Plumbing, Kitchen, Telephone in 2000**



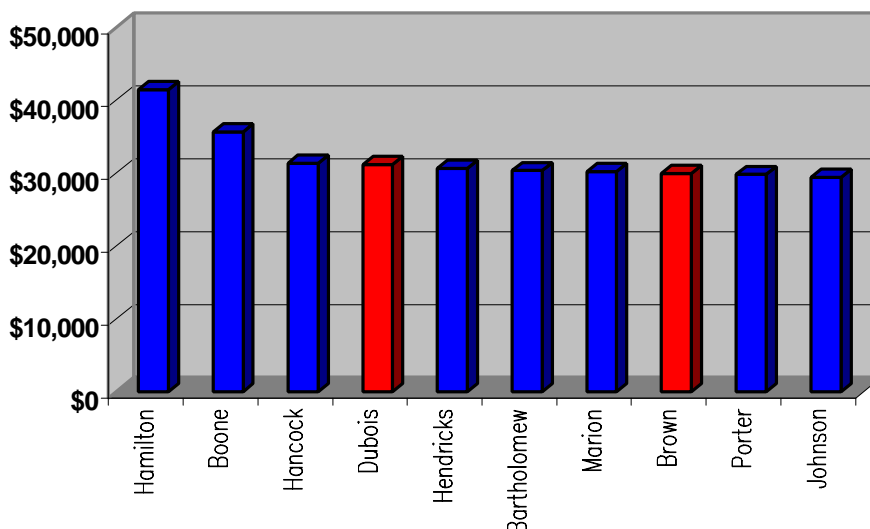
## RURAL CONDITIONS: PER CAPITA/PERSONAL INCOME

**Ten Counties With the Lowest  
Per Capita Personal Income 2000**



**Red = Rural      Blue = Urban**

**Ten Counties With the Highest  
Per Capita Personal Income 2000**



*One measure of economic well being is per capita personal income (PCPI). PCPI is the sum of all earnings, dividends, interest, rent, and transfer payments divided by population.*

⇒ All 10 counties with the lowest PCPI in 2000 are rural.

⇒ Eight of the 10 counties with the highest PCPI in 2000 are urban.

⇒ Six of the eight urban counties with the highest PCPI are in the Indianapolis metro area.

**Source: U.S. Census  
2000/STATS Indiana**

## RURAL CONDITIONS: INCOME/POVERTY RATE

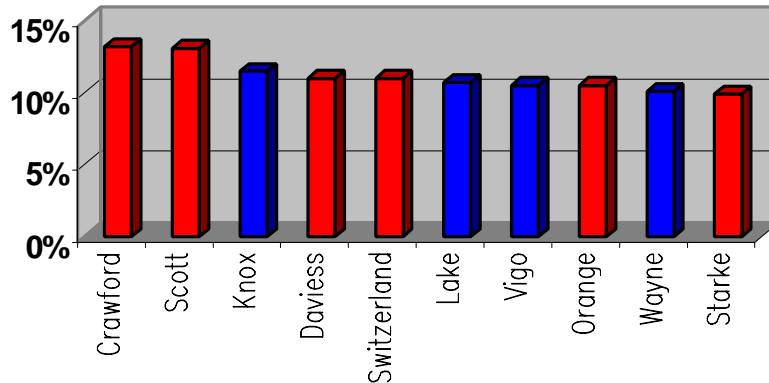
*Community residents who are unable to earn a living wage require special services from local educational, social and governmental organizations.*

⇒ Six of the 10 counties with the highest percentage of families in poverty (averaging 1990 and 2000 figures) are rural.

⇒ Five of the 10 counties with the lowest percentage of families in poverty (averaging 1990 and 2000 figures) are urban. All five of these counties are in the Indianapolis metro area.

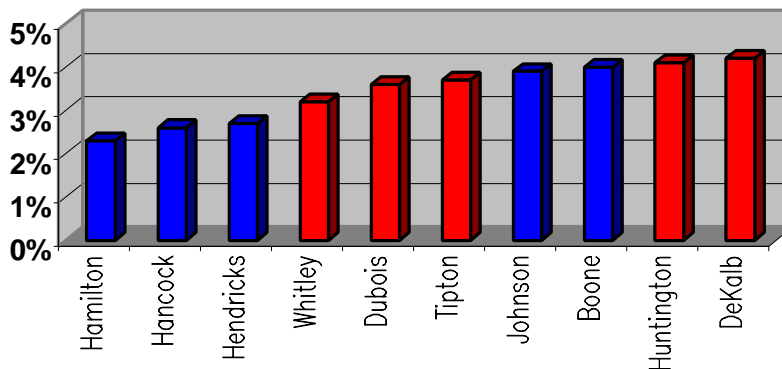
Source: U.S. Census  
1990+2000 Average  
/STATS Indiana

**Ten Counties with the Highest Percentage of Families in Poverty 1990-2000**



**Red = Rural      Blue = Urban**

**Ten Counties with the Lowest Percentage of Families in Poverty 1990-2000**



# FOCUS GROUP REPORTS

To develop this Rural Economic Development Strategy, 10 focus groups met during March, April and May of 2002 to identify and discuss issues crucial to the success of rural communities. The attached reports are the result of facilitated meetings held by each focus group.

It is important to note the reports do not represent the views of any one organization or individual, but rather is a document developed from many differing viewpoints presented by the participants. These unabridged focus group reports have been incorporated as presented by the focus groups.



**FOCUS GROUP REPORT**

**ON**

**JOB CREATION/RETENTION**

**AND**

**WORKFORCE**

**DEVELOPMENT**

The Job Creation/Retention and Workforce Development focus group met March 21, April 15, May 1 and May 15, 2002. Sections are listed in order of priority, and recommendations under each section also are prioritized.

There are two general comments that apply to all sections:

- First, there is a need to collect data dealing with training and jobs in rural counties as a base against which to measure the current situation and future progress.
- Second, funding for these much needed solutions should be flexible and handled locally so that the recommendations do not result in more bureaucracy and additional tax burdens on businesses.

### **Availability of Skilled Workforce**

Rural counties are challenged by a limited number of workers and employers, as well as differing skill levels within the community. New companies are looking for the availability of skilled workers. How can we bring this balance in rural Indiana?

- Young people who attend college can't find jobs in their hometowns where they can use their advanced training. Leaving home is not unusual, but rural communities are not attracting youth from other areas.
- Manufacturers in Indiana don't always pay salaries to attract the skilled workers they say they want. Instead, they pay what the market can bear. They are faced with the choice between upgrading capital investment and requiring a skilled workforce, or moving to a cheaper labor market. This connection has been made at the state level, but it is not certain that all the local players understand this dynamic. Local economic developers may not be sure how to make these connections.
- Success lies in rural communities that work with manufacturers to make these connections. The manufacturers in the communities drive many of these successes.

### **Recommendations**

**J-1:** Rural counties suffer from operating on a smaller scale. Regional approaches to workforce development can provide a critical mass for smaller, rural communities. Cooperation among local economic development groups and manufacturing associations can help to achieve these economies of scale.

**J-2:** Need to better identify and connect target markets with the available workforce. Recruitment efforts need to be connected to the types of jobs the local labor force can support.

---

There is a concern about public attitudes toward the manufacturing industry. The manufacturing community should reach out to schools, students, teachers and parents by providing information on their role in the state and local economy. The community of Borden and Koetter Woodworking provide a good example of a business and rural community working together on a positive school-to-work program.

The school measurement system in Indiana should be tied to the reality of the rural communities. Young people are not graduating with the skills they need to fill manufacturing jobs in rural communities. There are barriers to schools meeting the needs of the local community because of the difficulty in making curriculum changes, although the Tech-Prep program was supposed to address this. Its success depends on the local industries' involvement with schools in developing the curriculum.

There is still a lack of cooperation from the schools if the students aren't college bound. This is a significant problem in the mindset of the school systems around the state. These are the students who make up the workforce that stays in the rural communities. Schools focus on the upper group of students. Other programs focus on the lower group. This middle group is left out. Montgomery County's SkillsNet program is addressing this issue.

### **Recommendations**

**J-3:** Increase communication and interaction at both the state and local levels between industries and educators. Partnerships should include both public and private organizations.

**J-4:** State education guidelines should allow school systems to be more flexible with curriculum to meet local needs.

**J-5:** Create a career path for non-college bound students at the elementary and middle school levels.

**J-6:** School counselors should work with those students who are not college bound to discuss manufacturing careers.

**J-7:** Ask high schools to do a performance report/portfolio on students, which talks about attendance, activities, classes, skills, etc. so that students can use this in their search for employment.

**J-8:** Manufacturers need to have recruitment programs.

#### ***Case in Point***

The Center of Workforce Innovations prepared the Northwest Indiana Workforce Profile, which states, "Basic reading, writing, and math are no longer sufficient in today's economy. New jobs and new skills have added to the list of what is considered 'essential.' "

---

Although high school graduation rates are emphasized, the majority of students who do not complete their high school education become entry-level workers in their rural communities. There is not much of a career track for these individuals. School

counselors need to be aware of this and the fact that industry can only move them up so far.

**Recommendation**

**J-9:** Randolph County is using Lilly Endowment funds to focus on students who do not graduate from high school. Lilly has been helpful in addressing specific needs for the non-traditional student. The state could help lead the way in building on this initiative and encourage alternative career paths.

---

All workers need basic skills to succeed in advanced levels. Success in this area will require communities and schools working together.

**Recommendation**

**J-10:** Businesses should take advantage of the career path training for adults through the Skills 2016 program.

---

Communities must be able to assess the workforce needs in their area, including the unemployed and the under-employed. Vermillion County conducted a similar study in conjunction with other counties to affordably assess its workforce needs.

**Recommendations**

**J-11:** Communities should look at regional approaches to assess workforce because identifying commuting patterns broadens the assessment area.

**J-12:** All Workforce Investment Boards have access to funding for workforce assessments and may be in the process of completing this as part of their strategic planning. Encourage on-going additional funding for regular updates on these local assessments.

**J-13:** Local college campuses can assist communities in assessing their workforce. Professors will use students for this research project and it reduces the costs for the communities.

---

How are communities addressing the retirement of the baby-boomers? Will the timing of these retirements pose a greater effect on rural communities?

- Spencer County has a team that speaks to graduating classes and alumni, encouraging them to experience the world and then come back home.
- Bartholomew County has a “Careers in Indiana” program, and is realizing some success.

- Need to get success stories from rural communities and share this information with others facing these issues.

### **Recommendations**

**J-14:** Many larger communities are contacting former students to recruit them to come back home. Rural communities can benefit from this strategy, as well.

**J-15:** Programs for workers who are not ready to retire but may be looking for a flexible work arrangement could also attract rural workers.

**J-16:** Programs to identify retirees that may want to get back into the workforce could also benefit rural counties.

---

With the influx of Hispanic workers, many of these workforce issues apply in addition to the need for “English as a Second Language” training.

### **Recommendations**

**J-17:** Manufacturers should be encouraged to take advantage of Skills 2016 training for Hispanic workers.

**J-18:** Communities should encourage the schools to teach English to Hispanic adults. Model successful examples from around the state, such as programs in Huntingburg and at IUPUI.

---

## **Existing Company Resources**

Incentives should be provided for existing companies to provide training and employee education programs. Incentives can come from local, public or private sources. Without encouragement, many rural companies do not anticipate a return on their investment of providing additional training to their employees.

### **Recommendations**

**J19:** Provide information and financial incentives to existing smaller companies for continuing education and training for advancement programs.

**J20:** Provide education tools to rural communities to help them sell the benefits of employee training and education.

**J21:** Encourage local economic development organizations to take the lead in providing training assistance and resources to these smaller companies.

---

Training programs are designed to go beyond basic needs, and the focus in Indiana is on higher paying, technical jobs. However, manufacturers that aren't as technically oriented may be left out of training opportunities. It is important that existing companies in rural communities are not left out. There is a greater need for training in rural communities that is not being met.

Also, there is a need to look for creative ways to help existing companies of all sizes. Most growth in rural areas over last two years has been from existing businesses. The lack of Indiana programs for existing companies is creating the highest anxiety from threats of companies leaving.

### **Recommendations**

**J-22:** Guidelines and expectations should be streamlined to be accessible to companies of all sizes. May need to consider new programs to serve smaller companies.

**J-23:** Smaller companies could work with universities to have a student intern come to help out with marketing and activities other than the day-to-day operations.

**J-24:** Existing programs should be adequately funded to meet the training needs in rural communities.

**J-25:** Need a coordinated website to provide information on all training assistance available in one location. An interactive site could help identify needs that are not met by current programs.

---

Companies face the challenge of changing the skills set for the middle-level manufacturing employees. They want to take them to the next level, but different needs are required. The employees are being asked to perform at a different level than before.

### **Recommendations**

**J-26:** Vermillion and Parke Counties' manufacturing academy is trying to develop the skills that the companies need, but this is still a work in progress.

**J-27:** All companies want and need training, but it is often most difficult for the smaller companies to come up with the matching resources to take advantage of the training programs available.

**J-28:** Businesses should take advantage of the Regional Skills Alliance funding for those smaller companies that can work together to offer training for their employees collectively.

---

Allow EDGE to be used for existing industries. (House Bill 1196 permits the use of EDGE for job retention under certain conditions. The Governor signed it on March 28, 2002.)

### **Recommendation**

**J-29:** Legislative criteria should be made more flexible to meet the individual needs of each county.

---

## **Development Strategies**

Many rural areas have difficulty providing the necessary infrastructure for an interested business attraction project in a timely manner. Easing the business commitment requirements would allow communities to develop an industrial site, thus helping them compete.

### **Recommendation**

**J-30:** Change state policy to assist in funding the development of industrial sites without requiring that a client be ready to move in.

---

Need proactive development opportunities and need to remove some of the obstacles. State regulatory (DNR) requirements are severe for clearance of potential sites for development. Amount of testing and surveying for environmental, ecological, etc. is exhaustive and expensive. Costs for on-going lab tests are hitting companies. IDOC Ombudsman can help with these issues. Also, some community utilities have standards that are higher than the state's, which can adversely affect operations of companies.

### **Recommendations**

**J-31:** State agencies designed to protect our environment should do so in a proactive way to allow for sustainable economic foundations in our rural communities. They should take more of an “enabling” approach as opposed to an “enforcing” approach.

**J-32:** IDOC needs to have more weight in these regulatory decisions. Elevate the position of the IDOC Ombudsman to give it more visibility with other agencies.

**J-33:** Need to have a dialogue with representatives of rural communities, regulatory agencies, and IDOC.

**J-34:** Shorten the time period for review of SHPO and other environmental reviews.

---

Need more incentives for brownfield recovery and remediation in order to spur an interest in something other than greenfield development. But we do need both. Current state programs are not providing enough incentives to potential developers to get involved in brownfield recovery. Liability and perception issues drive decisions.

### **Recommendations**

**J-35:** State should inventory the brownfield sites in rural communities.

**J-36:** Encourage state agencies to provide helpful information about a specific site without a threat of regulatory action. IDEM's voluntary remediation program is only effective if the property owner/developer is willing to take ownership, or after the community has already taken ownership.

---

Do we want to target business attraction efforts in distressed areas as they do in Kentucky? A few Kentucky initiatives were mentioned for consideration.

- The KREDA program is funded with stable tax dollars to target distressed counties.
- Kentucky collects a small tax on coal (coal severance tax) and the money is returned to the counties after a period of time. The counties can build any hard infrastructure such as industrial parks with these funds. They can then sell these sites and have more money to work with, resulting in direct competition with southern Indiana counties. Coal companies say they never notice the tax.
- The Kentucky Infrastructure Authority is encouraging communities to combine their utility systems on a regional basis to gain economies of scale. GIS is now available which makes it easier to do so. Industrial parks are also regionally owned and this is beneficial. Communities in Indiana could regionalize, but Kentucky provides a monetary incentive for them to do this.
- Kentucky has a program that rebates sales tax, which creates an economic stimulus for investors.

### **Recommendations**

**J-37:** Need to focus on the rural areas and their challenges and determine if regionalizing their efforts would be beneficial.



**J-38:** Not all rural areas are on a level playing field relative to funding sources (i.e. riverboat monies, food and beverage tax, etc.). Funding needs to be fair to all areas to equalize opportunity. The adoption of the Local Option Income Tax by some communities could help equalize opportunities.

**J-39:** Provide more economic data for the counties. Counties need to know more about their own situations before they look at their competitors or regional solutions.

**J-40:** Increase funding available for communities and counties to focus, assess and plan. This includes assisting rural areas in defining opportunities for growth and development.

---

Small rural communities need to think regionally in terms of recruiting technical industries, for example. Rural communities can attract these if they work regionally for both job creation and retention.

#### **Recommendation**

**J-41:** Encourage regional economic development projects.

---

The development of value-added agricultural business has potential, but there is not usually a good working relationship between the agricultural and economic development communities for this to happen effectively.

#### **Recommendation**

**J-42:** Encourage cooperation between agricultural and economic development groups.

---

### **Learning/Training Needs**

Life-long learning and skills training is needed for all communities, including the establishment of learning centers and training centers and/or networks. Rural communities would benefit from these services being provided in one facility or through one network.

#### **Recommendations**

**J-43:** Create public-private partnerships to provide these services. These partnerships should be business driven, with participation from the education system.

**J-44:** Implement a closer working relationship with education. For example, tie in with the school computer labs that aren't in use except during school hours. Take an inventory of what is available and what is needed. School facilities in general aren't used to the extent they should be. Could be a community-learning center.

**J-45:** Model the example of the South Central Indiana Educational Association in Bedford, which currently serves six counties.

---

Entrepreneurship training is needed in rural communities. Focus on resources and ideas within the communities for homegrown economic development. Need funding and other resources to help them begin. Some suggestions include:

**Recommendations**

**J-46:** Communities need training for entrepreneurs to "plant the seed" before they are ready for the Small Business Development Center (SBDC).

**J-47:** Encourage Universities to participate in public-private partnerships in rural communities to create entrepreneurship training opportunities and incubators for both students and adults.

**J-48:** Junior high and high school business classes should include entrepreneurship training.

---

There is a demand for Information Technology training, especially in manufacturing. Rural areas are concerned that there are not enough employees to meet this demand.

**Recommendations**

**J-49:** Area learning and training centers and schools (junior high and high schools) should include more advanced Information Technology curriculum. This may be an area in which to offer college credit and industry certifications in high schools.

**J-50:** Initiatives need to come from the business community, working with the education community.

---

A strategic goal is to have the universities and community colleges get to the rural areas by providing on-line classes or other distance learning opportunities. Rural communities are hindered because of the number of students needed to meet the costs of delivering the service. Networking and combining regional efforts will help meet these objectives.

### **Recommendation**

**J-51:** Encourage coordination/aggregation of needs (i.e. technical, training, etc.) and encourage regional networking opportunities.

---

### **Other Partnerships**

The Workforce Investment Boards (WIBs), under the guidelines of the Workforce Investment Act, should take a leadership role in workforce development within their regions.

### **Recommendation**

**J-52:** Their work should be coordinated with the manufacturing, business and economic development networks that exist.

---

Universities could be a resource in rural communities. Some small communities may need assistance with the seed money to leverage university resources. Purdue's Technical Assistance Program (TAP) and other state university programs do not have the resources to expand their statewide services. There are also turf issues between universities.

### **Recommendations**

**J-53:** IRDC could connect the universities and the state and federal programs with the rural communities to increase their effectiveness. BMT is working on creating a web-based solution to sharing this program information.

**J-54:** Need to encourage the breakdown of turf barriers between universities.

---

### **Technology Infrastructure**

There is a lack of technology (telecommunications) infrastructure to help small business in certain areas. It is important to bring broadband, Internet, and other such services to the areas that currently have poor access. Training and education opportunities will also be enhanced with telecommunication access.

### **Recommendations**

**J-55:** Encourage rural counties to look for regional solutions to meet their telecommunications needs and those of existing industries.

**J-56:** Since much state information that benefits rural communities is only available on the Internet, the state should take a proactive role in making sure that all communities are adequately connected to a system that enables them to benefit from this information in a timely manner.

---

### **State Legislative Actions**

The Indiana General Assembly should address the state's tax situation and tax restructuring in a timely manner. Rural areas are falling behind urban areas. Rural communities will benefit from giving local governments TRUE fiscal home rule.

Only two Enterprise Zones can be approved by the state each year. This should be changed to allow for more than two. This may become moot if tax restructuring occurs and the inventory tax is eliminated.

### **Recommendations**

**J-57:** Eliminate the inventory tax.

**J-58:** Need more flexibility in designating Urban Enterprise Zones. Broaden the definition of a zone to allow rural areas.

---

### **Other Rural Area Issues**

There is a transition occurring in commerce today. Rural communities need to change attitudes and perceptions that since it has been okay for 20 years, we'll be okay for another 20 years. Community leaders, schools, parents and less skilled workforce have this attitude. Communities that are not making this transition will be left behind. Visionary leadership in rural communities is essential.

Planning and land use in rural communities is critical in creating jobs and meeting workforce challenges. Educate rural communities on the new federal initiatives. Also, rural areas may be more competitive if they are part of a regional focus.

**FOCUS GROUP REPORT**

**ON**

**INFRASTRUCTURE**

Economic development in rural areas is possible if a community is prepared to accommodate the needs of existing and potential business. Some of these basic needs that a community must address include the availability, reliability and affordability of the community's infrastructure, defined as water, wastewater, storm water and transportation infrastructure needs.

On March 11, 2002 the first meeting of the infrastructure focus group met to sketch out the community needs. On April 9, 2002 the second and final meeting was held to fashion wording of specific suggestions. Two categories are meeting existing and new environmental protection mandates and providing basic utility, waste management and transportation functions.

A critical observation for all three water-related infrastructure categories was the necessity for both the federal and state governments to identify funding sources to pay to meet new mandates from the federal government.

*Water:* Basic water supply and distribution are important not only to the quality of life of the residents in rural communities, but also to the area's economic development potential. To position a community to grow or attract business, an adequate quantity of process water must be available. Affordable water is necessary both for retention of existing business and for accommodating new development. For example, a complete overhaul of the community's water system was needed to accommodate the Toyota facility located near Princeton. Quality of water also plays an important role in meeting the needs of potential businesses.

*Wastewater:* Wastewater treatment is another key rural economic development issue. Many rural wastewater systems are designed to accommodate only moderate growth. A new industry or major expansion of existing business can wipe out any extra capacity a treatment facility may have. In other areas, the lack of any public sewage collection is a concern, and increasing regulation of septic systems and mechanical treatment alternatives can be difficult for a rural community to address.

*Storm Water:* The quality of life concern about adequate drainage is clear in that residents do not want their yards and streets to flood after a rainfall. However, the economic impact of such conditions around a business can create severe financial loss. New federal mandates require that small communities address the quality of the storm water as well.

*Transportation:* Transportation is an issue for urban development as well as rural development. Urbanites worry about transportation congestion, while many rural residents are concerned about the structural integrity, safety and capacity of rural transportation infrastructure. In either of these situations, transportation is an economic development concern.

The issues we have discussed at length are the ones that are most pressing to rural communities. We are aware we have overlooked other important categories of infrastructure needing attention (such as bridges, roads, electricity, railroads, solid waste disposal capacity and airports). Our focus is on those critical to economic development and public health, especially new mandates from the federal Clean Water Act, because that is where the absence of a means of effective resolution was dire.

The state must provide critical assistance in terms of expanded grants and loans for the Clean Water Act mandate. Current programs fall far short of meeting the needs. Many communities need skilled engineering assistance for capital projects to be cost-effective. State environmental regulatory oversight functions must be sensitive to the special difficulties rural community governments have to improve the quality of their water and to comply with regulations designed for big businesses and big cities. The need is great and funds are inadequate at the local level. The state must step in to help rural communities find practical solutions to water infrastructure challenges.

### **Recommendations**

#### **I-1: Improve Ability of Local Governments to Obtain State Funding for Infrastructure Projects**

- The state of Indiana should provide more grant money to accompany existing loan programs for water, wastewater, Combined Sewer Overflows, and storm water infrastructure financing projects. The current state budget allocates only \$30 million in supplemental assistance from Build Indiana Fund (BIF) money. *Legislative Action.*
- The state of Indiana should also provide more dollars to local governments for road and street funding. Without additional money, counties and communities are forced to take money away from other budgeted areas to keep up with road improvements. *Legislative Action.*
- The state should review its policies and find ways to reduce the bureaucracy in obtaining funding from available programs. Communities can spend as much trying to access \$200,000 to access \$2 million. *Legislative/Administrative Action.*
- There is a need for statewide coordination and prioritization of projects requesting funding, as well as an analysis of the funding processes. This would be beneficial in pooling resources towards meeting the state's economic and environmental priorities, instead of maintaining a separate process for each source of money. By creating a clearinghouse for environmental/road projects, a community's burden of finding the correct program would be eliminated. *Legislative Action.*
- Program eligibility should be less reliant on a benchmark user rate. The benchmark rate is established by the funding agencies to allocate far too limited resources to guide decisions toward those who show the most need. It assumes municipalities steadily increase their rates to account for actual operation expense increases and maintain an adequate reserve. However, by setting too high of a value, which communities believe will be an absolute threshold for serious consideration, some communities wanting funds for a reasonable objective, are forced to develop proposals with higher rates than otherwise make sense. The system should be reorganized to achieve both the objectives of allocating to neediest communities who are bearing an appropriate financial burden, but at the same time be flexible enough to allow access to others in that category who are neither able to nor need to raise rates beyond what is feasible for that community. Funding agencies, community leaders, and professional service providers should focus on the need of the

community, and then work together to ensure responsible financing. *Administrative Action.*

**I-2: Improve Opportunities to Increase Capabilities of Local Leadership to Plan for Appropriate Infrastructure Projects**

***Case in Point***

In its 2001 Comprehensive Economic Development Strategy Annual Report, the Southern Indiana Development Commission stated, “The readiness to proceed with projects is directly linked to the local needs and successful completion of economic development projects.”

- It is critical for the state to simplify the complexity of the infrastructure issues and clearly communicate what is expected and what choices are available for assistance. The state needs to be considerate of the experience local officials have in complying with technical environmental regulations, especially in cases where officials are new. *Legislative/Administrative Action.*
- Help improve communication skills of municipal and county leaders addressing controversial but critical infrastructure issues. Training is needed on how to bring parties with differing views together into a constructive dialog. Strong leaders are needed to work through land use disputes between those favoring and opposing infrastructure development for its implications for subsequent land development. *Legislative Action.*
- Leaders planning infrastructure must be sensitive to special aspects of the diverse Hoosier culture about many competing important values. *Administrative Action.*
- Infrastructure solutions can be very simple; don’t make them more complex than they are. *Administrative Action.*
- Local leaders need credible guidance and training on infrastructure options for water compliance to learn more about the funding sources, regulatory requirements and opportunity for assistance, as well as the processes to access information. With the high turnover of leadership on the local level, there must be mechanisms to assure new, inexperienced people have access to the information. Part-time elected officials have little time to participate during the workday, especially in Indianapolis. State information should be written in layman’s terms. *Administrative Action.*
- Municipal and county officials get information from consultants who have specific reasons for providing resources. Local officials need more general and engineering education from an objective source. *Legislative/Administrative Action.*
- Encourage continuing education opportunities for elected officials. *Legislative Action.*
- Help educate the general public about infrastructure issues in order to assist local leaders in making tough decisions. *Administrative Action.*



- Establish standard operating procedures for volunteer groups in unincorporated areas to help them find their own solutions. This could arm inexperienced voluntary groups with tools to help with decision and management, developing goals and objectives, job descriptions, and work schedules. *Administrative Action.*

### **I-3: Improve Productive Communications Between State Agencies and Local Jurisdictions**

- Miscommunications between state and local agencies impair rural development. State agencies should work to improve the mutual understandings between their staff and the personnel of local governments. For instance, state agencies such as the Indiana Department of Environmental Management (IDEM), the State Department of Health (ISDH) and the Department of Natural Resources (DNR) should improve their working relationships with county/municipal elected officials and their departments.
- State agencies should establish methods for increasing communication about regulatory compliance and infrastructure cooperation opportunities between communities in order to help communities work together. State funding agencies should work together to understand regulatory and engineering requirements for specific communities. *Administrative Action.*
- Many small communities cannot comply with regulations because of funding restrictions. If the funding source is competitive, this hampers rural communities' ability to comply. This results in the state as a whole not meeting its goals concerning environmental policy. Currently, funding agencies do not have the option of funding all communities. *Administrative Action.*
- The regulatory target is always moving. It is difficult for local governments to stay ahead of the regulations. *Administrative Action.*

### **I-4: Improve Local Government Capabilities for Master Planning**

- The state of Indiana should provide funding to help communities do long-range planning for all infrastructure needs simultaneously. Some communities are not looking at the "big picture" to solve the challenges they are facing with infrastructure (roads, bridges, water, wastewater, etc.); they solve each infrastructure challenge as it arises. Some communities have multiple master plans each followed (or not) by the subgroup that prepared it. The best way is for engineers and planners to work in-sync on any comprehensive master planning as they implement their aspects. Still other communities are taking a band-aid approach to fix today's problem without taking into account the total improvement needed to fix the problem. *Legislative Action.*
- Master plans, including consideration of both the community's and the county's needs, should take into account the infrastructure needs as well as the health care, housing and other needs of the community. Plans should take into consideration all competing needs for community dollars, and prioritized needs to give consideration to unfunded mandates. *Administrative Action.*

- Master planning requires communities to understand zoning and the impacts of infrastructure improvements. Several Indiana communities do not have zoning or, if they do have it, they may not enforce it. Planning must include zoning and land use. *Administrative Action.*

**I-5: Support Regional Solutions to Infrastructure Challenges Where Appropriate**

- Communities should be rewarded for implementing regional solutions or innovative approaches for solving their problems. The group admits there is a natural tendency for communities to stay within their jurisdictions. The state of Indiana should provide additional resources for developing regional solutions (for instance, roads – Indiana Department of Transportation (INDOT); water quality – IDEM; water quantity – DNR). *Legislative Action.*
- INDOT is working with some regions on transportation issues, and finding some successes. Programs of this type should be expanded and duplicated. *Legislative/Administrative Action.*
- Air quality issues are regional problems. The sources are regional and penalties are shared across the region. Indiana can be better much prepared to address them. The state of Indiana should consider granting limited regional “airshed” authority to multi-county air commissions. *Legislative Action.*
- The state should evaluate the Solid Waste Management Districts and determine if they are accomplishing the goals originally envisioned. *Legislative/Administrative Action.*

**I-6: Improve Access to Free, Useful State Technical Assistance on Projects**

- The State should provide free, useful and qualified technical assistance to communities before they hire a consultant. Indiana should encourage and support existing agencies to get information about sound engineering judgment out to the rural communities (especially unincorporated areas). This should include help about how to evaluate alternative engineering approaches. In particular, IDEM and INDOT should consider contracting with professional engineers to help communities plan for a project and select a consultant. *Legislative/Administrative Action.*
- The state should do a study to determine what types of technical assistance is necessary and whether technical assistance information is available to those who need it. This should include ideas about ways communities can reasonably do parts of construction or compliance projects themselves to save consulting costs. What state mechanisms can be established whereby a consultant could volunteer to oversee small community efforts? *Legislative Action.*
- There is a need for a continuous process of outreach, which is evident because the election process allows for turnover every four years. Additionally, there are few full-time town managers in rural communities. For these reasons, the state should consider innovate means of information dissemination. *Administrative Action.*

**I-7: Reform Environmental Policies and Procedures Regarding Infrastructure for Environmental Compliance**

- Remove unnecessary or redundant state regulatory and policy hurdles for environmental requirements. *Legislative/Administrative Action.*
- State environmental regulations should be consistent with federal regulations. They should be more stringent or written differently only when there is a compelling reason to do so. *Legislative/Administrative Action.*
- Need clear, timely, reasonable written policies from IDEM discussed before the environmental board about environmental policy interpretation. Guidelines should be written in layman's terms. *Administrative Action.*
- Compliance policies should be fashioned specially for straightforward compliance by small rural communities, small farmers and small businesses. *Legislative/Administrative Action.*
- IDEM should provide strategic implementation of water regulations, which are unified among the programs and phased for sensible compliance by small communities. Many environmental regulations originate at the federal level, leaving the implementation to states. As the responsible agency, IDEM should develop a unified approach for various water and wastewater priorities for communities coordinated among its various programs, such as Total Maximum Daily Loads (TMDLs), Combined Sewer Overflows (CSOs), urban storm run-off, water quality assessment, septic policy, source water protection, and aquifer protection. In addition, the state needs to coordinate environmental funding programs with regulatory programs (for instance, annual priorities for funding programs 319, State Revolving Fund, solid waste grants and non-IDEM programs should be coordinated to some extent to the coordinated water program priorities). *Administrative Action.*
- Streamline the government decision-making process to achieve greater efficiencies for both the government and parties seeking decisions. *Legislative/Administrative Action.*
- Simplify environmental compliance language and requirements with small communities or small businesses in mind (i.e. If you're a small community, do these things and you will be in compliance). *Administrative Action.*
- Develop an enforcement policy that does not target the smaller entities unable to defend themselves against accusations of marginal infractions. (There is the widespread belief that there are a disproportionate number of small communities in enforcement action compared to those with resources to defend themselves.) *Administrative Action.*
- State agencies should coordinate the implementation of their different and overlapping environmental protection policies. Additionally, better coordination is needed with federal agencies on wetlands, drainage and the USDA Natural Resources Conservation Service (NRCS). *Administrative Action.*

### **I-8: Possible Legislative Initiative About Infrastructure**

- Legislation and regulations governing wastewater facilities can be confusing. For example, there are four different categories of state statutes that set regulations for different types of treatment plants, which increases the burden on local officials responsible for compliance. Regulations should be consolidated. *Legislative Action.*
- Many communities permit septic systems that may be obsolete in the near future. Failing systems, inadequate septic treatment capacity and surface water quality impairment due to septic runoff are examples of important issues that may need legislative attention. The state of Indiana should develop a unified policy about appropriate on-site and off-site sewage treatment for homes, businesses and industry. *Legislative Action.*
- IDEM and ISDH should work together to establish a practical regulatory framework and mechanisms for compliance solutions to counties and unincorporated areas for managing on-site sewage waste treatment systems and for transition to properly managed, publicly owned treatment works. State administrative leadership is needed on this critical rural public health issue.
- Public/private partnerships for water and wastewater infrastructure and innovative solutions should be promoted through legislation. *Legislative Action.*

### **Conclusion**

The issues discussed are imperative to rural communities. We are aware we have overlooked other infrastructure types (bridges, roads, electricity, railroads, airports, etc.).

The critical conclusion: Timing and regulatory constraints around major water and wastewater infrastructure needs are created by the federal government with insufficient funding. The state must find ways to provide increased funding for this public health mandate.

The state should make it much easier for small communities to obtain funding. The state must adjust its administrative policies and mechanisms for compliance so they are simple, practical and easily understood by the leadership of rural communities.

As it does this, the state will:

- Strengthen the ability of existing rural businesses to remain competitive,
- Strengthen the ability of rural communities to attract new businesses and
- Improve the quality of life for all citizens.

This will result in a better, stronger Indiana.

# **FOCUS GROUP REPORT**

## **ON**

### **HOUSING**

The Indiana General Assembly identified the variety and availability of housing options as a component in rural economic development.

In March and April 2002, a focus group on housing met to sketch out the needs of rural communities. The discussion resulted in housing needs in the following categories:

- Education programs for homeowners as well as the lending community,
- Elected officials and realtors;
- Resources;
- Codes/enforcement to improve housing stock;
- Partnerships and linkages within rural communities;
- Organization capacity to help those with housing needs;
- Affordability/tax reassessment concerns; and
- A lack of availability of affordable housing for rural residents.

### **Housing Education**

Many housing needs identified in rural communities center around a lack of knowledge of programs and processes. Potential homeowners should be educated about the funding programs for which they qualify. Additionally, lenders, realtors and local elected officials should understand the programs as well to best help those in their communities.

Homeowners -- The state of Indiana and many different housing agencies support homeownership and provide programs to help Hoosiers become homeowners. However, the challenge is reaching those who qualify for assistance and informing them that affordable housing is available. The goal is to educate and attract clients in rural areas to explore homeownership options.

The Indiana Association for Community Economic Development (IACED) has developed a HomeEC Initiative to address these needs. It is based on the premise that homeownership counseling and education programs are a critical step for successful homeownership. The HomeEC Initiative has two overarching themes: 1) to insure that homeownership counseling/education programs are accessible to the entire state; and 2) to insure that programs offer core elements consistently across the state.

Homeownership is a quality of life issue. This message needs to be projected to residents in rural areas. Potential homeowners need to be educated on housing programs, the lending process, and technical assistance available. Furthermore, many first-time rural homebuyers should receive training in home maintenance and budgeting.

There is an intense competition in the lending arena, which may lure potential homeowners to an unfavorable mortgage contract, or mask the lending assistance programs that are available to them. Indiana has the highest foreclosure rate in the country. Through prevention education, this problem may be avoided. Post-purchase

counseling, continued home maintenance, and budgeting are topics in which homeowners need training.

*Education of Lenders, Local Elected Official's, and Realtors* -- To reach the target clientele for affordable housing programs, the state of Indiana must assume a greater role in educating lenders, local elected officials and realtors about the variety of housing programs that exist to assist potential homebuyers. Any lack of understanding hinders the information flow to the targeted audience. We need realtors and small lending institutions to sell the programs to targeted clientele.

Currently, there is a lack of lenders participating in Federal Housing Administration (FHA) loans, specifically in southern Indiana. There is too much paperwork and little reward for lenders who process FHA loans. Lack of participation may also stem from a lack of information about the target market (low-income borrowers). The perceived lack of demand for these programs may be a result of an uninformed public. Policies that could simplify the lending process for the lending institution could have long-term benefits. For example, the Indiana Housing Finance Authority's (IHFA's) FirstHome program could be simplified for bank participation. Programs like this work in areas covered by a Community Housing Development Organization (CHDO) or a Housing Authority, but there is a lack of incentive for other non-profits and lenders to market these programs to their clients.

Education also needs to reach local elected officials at the city, town and county levels about programs available to local units of government for benefit of their rural residents. For example, agency representatives can provide information to local elected officials through their organization's conferences (Indiana Association of Cities and Towns, Association of Indiana Counties, IRDC, etc.). There is often a disconnect between community leaders working with a population that needs affordable housing (i.e. churches, social services) and local elected officials who could apply for such programs.

Finally landlords should be educated on fair market rents for their local area. Fair market rents may be too low in rural areas, and landlords are not willing to accept vouchers for rental assistance. A limited number of rental units available in rural areas contribute to this problem, because landlords can get higher rents from non-subsidized renters. IHFA has a program to help landlords improve the quality of rental units for low-income renters.

### **Recommendations**

⇒ **H-1:** Encourage CHDOs and Housing Authorities to conduct home maintenance education programs. This could be included in other training they offer. IHFA is focusing on statewide standards for these types of services, but the funding is still questionable.

Organizations working to increase homeownership (like IACED's HomeEC Program) are in need of funding to provide comprehensive homeownership counseling programs and training throughout the state. There are best practices that could be distributed to CHDOs and Housing Authorities as examples that allow for counseling to be paid through fees. Organizations that have been successful should share their experiences and knowledge.

- ⇒ **H-2:** Many parties need education. The state could emphasize homeownership training by providing educational opportunities at the conferences of other organizations (AIC, IACT, IRDC, etc.). By tying in the effect on economic development, local entities will be aware of the importance of housing and will to take a role in making these things work at the local level.
- ⇒ **H-3:** Develop and market a “one-stop shop” source to local communities on resources available to help meet housing needs. This could be done through a clearinghouse or an ombudsman. Identify a starting point to help communities address the problem.
- ⇒ **H-4:** Help community leaders make the connection between housing and economic development.
- ⇒ **H-5:** Agencies should utilize the Federal Home Loan Banks’ network to facilitate information exchange on agency programs to local lenders.
- ⇒ **H-6:** Educate landlords and housing authorities about funds available for rehabilitation of rental units.
- ⇒ **H-7:** Strengthen the requirements for homeownership education and counseling prior to purchasing a home. This should encourage lenders to become more actively involved in these programs.
- ⇒ **H-8:** Educate foundations and other potential funders on the importance of homeownership counseling. Banks may receive Community Reinvestment Act (CRA) credit for funding homeownership counseling programs as it increases loans to eligible borrowers.

### **Organizational Capacity and Resources**

*Affordable Housing in Rural Communities* -- Smaller communities do not have access to resources that could explore affordable housing for its residents. Local elected officials may not be aware that housing issues directly relate to economic development.

Planning directors in rural communities should be concerned about affordable housing. However, there is a lack of planning directors in rural areas. Existing planners should also understand the impact housing has on rural economic development. Many planners do not concentrate on housing due to limited staff and resources.

Many developers are unwilling to come to rural communities because the return on their investment is much larger in urban and suburban areas. A rural town may need only 10-15 units as opposed to 50-60 in an urban area.

If affordable homes are available within a rural community, a need for down-payment assistance to potential homebuyers often exists. Many low-to-moderate income rural citizens can afford a monthly mortgage, but the lack of a down payment precludes them from becoming a homeowner. IHFA recently decreased the down payment assistance from \$10,000 to \$5,000, which worsens this problem.



*Shelters, Transitional Centers and Supportive Housing* – Communities have developed three types of facilities to help residents with other needs. Shelters are designed for temporary housing. Transitional centers are designed as longer-term, temporary housing, where services are provided to help the residents become self-sufficient. Supportive facilities are designed as permanent housing for persons with disabilities.

Regardless of the best solution for a person's needs, all three types of facilities lack funding to cover operational costs. Operational assistance is needed for organizations to explore new funding resources. The housing trend is moving away from shelters towards permanent housing with services available. Sometimes a whole new partnership may be required to meet all needs of the facility's residents.

*Lead Based Paint Removal*-- Finally, communities, homeowners and rental property owners need financial assistance to fund lead-based paint removal.

*Organizational Capacity* -- Developing affordable housing is a complicated and risky business. Many communities look first to state and federal resources, instead of working locally to identify resources and partners.

There is a lack of organizations (CHDO's, other non-profits) to help single families with housing needs. This is a very complicated business and it takes a lot of experience to be successful; there is limited financial support for these organizations. Existing programs involve a great deal of risk.

Non-profit groups face a constant struggle to become viable entities. They attempt to support themselves through the developers' fees they charge. However, if a project goes over budget, these fees are the first cut. Organizations must then resort to other fundraising efforts to support themselves. Some organizations do not have the capacity to do this. Additionally, there is a constant need for these organizations to provide technical training on new funding programs and initiatives to their staffs.

Not all areas of the state fall within the jurisdiction of a local housing authority. Information on housing programs is confusing and convoluted for residents in these rural areas. The state's Family and Social Service Administration (FSSA) administers Section 8 vouchers in these uncovered areas, but the complexity of the program requires a lot of expertise to understand. Unfortunately, those who qualify but don't understand the requirements do not access new programs.

### **Recommendations**

- ⇒ **H-9:** Encourage IHFA to raise the down payment assistance maximum to \$7,000. This would match IHFA's FirstHome program, which was recently raised to \$7,000.
- ⇒ **H-10:** Change federal tax credit programs to allow developers the incentive to go into rural areas and build or rehab smaller developments to better meet the needs of rural communities. This could require changes in legislation at the federal, state or local levels.
- ⇒ **H-11:** Create a clearinghouse for operating support and technical assistance programs to CHDOs, homeless providers and other non-profit organizations. A recognized

clearinghouse could act as an advocate for policy and funding support for these non-profit service providers.

- ⇒ **H-12:** Dedicate more funding to lead-based paint removal programs, and encourage federal guidelines to allow more flexibility for administration of these funds.
- ⇒ **H-13:** Strongly encourage the Indiana Department of Commerce to fund more subdivision infrastructure projects, especially in smaller communities that cannot attract developers without proper infrastructure. IHFA could work in conjunction with Commerce to achieve this.

#### ***Case in Point***

Along with the Indiana Economic Development Council, the North Central Indiana Regional Strategy Committee prepared its 2000 Comprehensive Economic Development Strategy. In addressing housing needs, the report states “Incentives may also be necessary to address obstacles faced in the housing market. The high cost of infrastructure has been cited as detrimental to new construction.”

- ⇒ **H-14:** Create a peer-mentoring program between experienced housing organizations and start up or struggling groups. Include efforts to enhance relationships between CHDOs and Housing Authorities.
- ⇒ **H-15:** Build awareness of opportunities available for very-low income families through the Section 8 homeownership and mortgage voucher program.

### **Substandard Housing Concerns**

Current housing stock in rural areas faces several challenges. They include:

- The average age of housing stock in rural areas can be 50 years old or older;
- Many elderly are not physically/financially able to maintain their homes;
- Lead-based paint requirements greatly reduce the chances that older housing stock will be brought up to code and available for subsidized renters, and
- Specifically, there is a concern about old manufactured housing (trailers) in substandard condition.

For homeowners and rental property owners alike, rehabilitation of existing housing is costly and somewhat riskier than new construction. Many times the process is undesirable for the non-profit organization or a landlord. For example, if lead-based paint restrictions are not addressed, there is a threat to the health of the children who may live in the unit.

*Code Enforcement* -- State building codes are established for all residential units, and local officials need help in implementing Housing Quality Standards (HSQ). However, most affordable housing throughout rural Indiana is not governmentally subsidized, so there is no assurance of compliance with these regulations.

Substandard housing in rural communities affects the quality of life of those residents. State building codes apply in areas that do not have their own local codes. Since most rural communities do not have local codes, awareness and enforcement of state codes becomes an issue.

Code enforcement is a means to address substandard housing. However, code enforcement must be initiated at the local level to bring substandard housing up to code. In cases where property needs to be improved, owners must invest a significant amount of dollars, forcing an increase in rental rates or the selling price. This investment results in housing that is improved, but no longer affordable. Local enforcement can have an undesirable result if it takes residents or property out of the affordability market, so the focus should be on improving codes to meet the needs of low-moderate residents.

Price of improving existing homes to meet physical standards can force the selling price of these homes near that of new constructions. This creates a disincentive to rehab existing homes. The overall trend is that the average sales price of all homes is growing, which indicates a shortage of quality housing available.

*Absentee landlords* – Many times an absentee landlord contributes to housing stock that doesn't meet code. Communities have little control over these properties, and few tools to deal with them.

*Lack of zoning and standards* -- Some areas of the state have an aversion to housing codes, planning is not well accepted, and cultural issues add to the housing issue in some parts of the state.

### **Recommendations**

- ⇒ **H-16:** Codify/streamline federal lead-based paint requirements to apply to all units, not just those that are subsidized.
- ⇒ **H-17:** Provide incentives to all builders, owners and renters to eliminate lead-based paint, possibly through a tax credit program.
- ⇒ **H-18:** Encourage rural communities to adopt local building codes. The first step is to educating local elected officials.
- ⇒ **H-19:** Conduct an inventory of the standard of housing in rural communities, and review the economic and social impact of substandard housing in these communities. Educate lawmakers and local elected officials about the findings of this inventory.

#### ***Case in Point***

In its Comprehensive Economic Development Strategy 2002-2006, the West Central Indiana Economic Development District highlights a success story: "In Vigo County, the Town of West Terre Haute recently completed a study . . . . Because of this study, the Providence Housing Corporation, a nonprofit organization, has committed to work with the Town and the development commission to foster the improvement in quality of low-income housing. The Housing Corporation plans to rehabilitate and develop affordable housing for the community."

- ⇒ **H-20:** Educate and encourage lenders to review the condition of properties before they lend to potential “slum landlords.”

### **Affordability/Tax Reassessment**

The state has projected that tax burden shifts will occur among all property classes including residential, agricultural, business and utility. However, the greatest concern lies with residential property. Both owner-occupied housing and rental housing will see significant tax burden increases. Increases will be greatest in residential housing, with a shift to older homes in appreciating, or high demand, neighborhoods. Single-family housing has a shelter allowance to help minimize this expected increase that doesn’t exist for rental property.

Apartment complexes, another type of housing, are expected to see a 78 percent increase in assessed value. Currently there is no shelter allowance to help these property owners who will likely face cash flow problems and raise rental rates. The long-term effect will be a loss of affordable housing options that cannot be spared in rural areas.

### **Recommendations**

Support IACED’s efforts to revise the property tax assessment. These points are discussed in the organization’s “Property Reassessment: One Step Backwards for Indiana Renters” report, and include the following:

- ⇒ **H-21:** *Provide an assessed value deduction (shelter allowance) to rental housing in order to create a better climate for affordable rentals.* Property tax relief should be provided for rental housing, similar to relief being offered to homeowners in the form of the new shelter allowance. This will provide direct assistance to property owners who, in turn, will not have to pass increased property taxes to individual tenants.
- ⇒ **H-22:** *Require that assessors must give emphasis to the income approach in determining the fair market value of properties receiving benefits from the Low Income Housing Tax Credit and other state/federal affordable housing programs that restrict rents.* Legislation should require assessors to determine the assessment of low-income housing projects using the capitalization of income method.
- ⇒ **H-23:** *Require all evidence relevant to the value-in-use of the property be considered in establishing the assessed value of the property.* Assessors and county and state appeal boards should consider all relevant value market information as long as such information is consistent with the definition of value provided by the Real Property Reassessment guidelines. This should be done regardless of whether the taxpayer provided the information to the assessor before the assessment, or when appealing the assessment.
- ⇒ **H-24:** *Clarify how tax credits and other subsidies are considered in property tax assessments.* The Indiana Tax Court ruling that the value of low-income housing tax credits be included in the property assessment sets a dangerous precedent, opening the door to taxation of other government-supported financing.

### **Availability of Affordable Housing (rental & homeownership)**

In most rural communities, there is a need for a variety of housing types, including senior housing/assisted living facilities, low-moderate income families and transitional housing.

*Senior Housing* -- There is a lack of affordable senior housing/assisted living facilities in smaller communities. Affordability is the main issue. Medicaid does not allow reimbursement for housing costs, making senior housing an option only for those who have adequate financial resources. There is no funding for the operation of services that these facilities provide. Specifically, communities are asking for:

- Progressive living arrangements within rural communities; and
- Assistance with Continuum of Care planning. The U.S. Department of Housing and Urban Development (HUD) offers competitive funding grants for urban areas that develop a Continuum of Care. IHFA provides similar assistance for non-urbanized areas of the state. The purpose of a Continuum of Care is for a geographic area to determine how homeless and people will be served and what service gaps exist. Not all rural areas are adequately participating in these locally planned Continuums. HUD provides three sources of funding. However, it is very difficult for new transitional housing projects to get funded because of set-asides for permanent housing serving people with disabilities and renewal of existing supportive housing programs. Match money is required for these programs, which must come from state and local dollars. There is very little state money available for this purpose.

*Rentals* -- There also is a shortage of affordable rentals in rural areas. Housing units are not always available to residents eligible for HUD's Section 8 program. Although Indiana's homeownership costs are relatively low, rental costs are comparatively high. Good renters quickly become homeowners, leaving an inadequate supply of rental units for families in the moderate-income level (80-100% of area median income).

*Community Support for Affordable Housing* --The development of low-to-moderate housing can be controversial. Many potential developments are shut down due to the "not in my back yard" philosophy (NIMBYism).

### **Recommendations**

- ⇒ **H-25:** Indiana should improve its statewide Continuum of Care process, to attract more federal funds for these needs and raise the possibility of funding for new supportive housing developments.
- ⇒ **H-26:** A statewide manager should be hired for the Continuum of Care process. Other states with more established processes have one full-time state official dedicated to this process.
- ⇒ **H-27:** Encourage mixed-income projects to help eliminate "NIMBYism" in communities.

# **FOCUS GROUP REPORT**

## **ON**

### **HEALTH CARE**

The number one health concern in rural Indiana is the lack of and maldistribution of quality rural health care professionals in many areas of the state. Rural communities must create their own indigenous pool of human capital that stay and help grow their communities, particularly in health care.

What community characteristics attract and retain human capital? While there are many, three key characteristics are:

1. Twenty-first century infrastructure is critical. This includes a transportation system and services that provide easy access to urban markets and to information-electronic connectivity (closing the digital divide). It also includes quality educational systems and health care services. We must improve infrastructures that will enable rural people to ride the wave of the new economy rather than continuing to fall behind.
2. Strategic planning is essential for successful rural communities. This planning must include healthcare needs.
3. Rural communities must partner with local businesses, institutions of higher education, federal, state and local governments, and health care providers. Human and financial resources in rural Indiana are limited, so we must pool resources. These partnerships give rural areas access to knowledge and a considerable research capacity that they wouldn't have otherwise.

In developing an overall vision for Indiana's rural economic development, the strategic plan must view health care as an integral part of the whole community's infrastructure to support economic development efforts, not a "quality of life" enhancement to economic development.

### **Recommendations**

The focus group discussed specific recommendations for both administrative and legislative consideration.

#### **Infrastructure/Economic Development**

⇒ **HC-1:** For economic development to occur in rural Indiana, the rural workforce requires the same access to health care that is available to urban residents. This provides potential employers with incentives to enhance human capital by developing a healthy and knowledgeable workforce. Environmental and public health issues need state resources to address sources of disease in rural communities. These include:

- Non-existent and inadequate Sewage systems
- Failing septic systems
- Safe wells and water sources
- Brownfields

The state should devote adequate resources to the public health system to lift Indiana above the 50<sup>th</sup> percentile of state resources devoted to public health.

*Legislative/Administrative Action.*

### **Local Access**

- ⇒ **HC-2:** Improve access to preventive, specialty and primary health care services (medical, mental health and dental) for rural residents.
- ⇒ **HC-3:** Strengthen and develop the state's system of health clinics in medically underserved areas of rural Indiana. Encourage the private provider system to develop facilities and resources where they are needed. *Legislative/Administrative Action.*
- ⇒ **HC-4:** Offer broadband access to rural health clinics, hospitals and other rural providers, allowing distance education, advanced telecommunications, telehealth and telemedicine to be utilized on a statewide basis. *Legislative/Administrative Action.*
- ⇒ **HC-5:** Overcome financial, physical, regulatory and communication obstacles to providing broadband access between providers across Local Access and Transport Areas (LATA's). This may entail policy changes at the state and federal level. *Legislative/Administrative Action.*
- ⇒ **HC-6:** Move toward reimbursement for consultations provided via telemedicine at the same rate as direct patient consultations. *Administrative Action.*
- ⇒ **HC-7:** Establish the goal that every citizen of the state of Indiana can be transported to an emergency facility within one hour of the occurrence of a medical emergency and provide the resources to meet the goal.
- ⇒ **HC-8:** Develop and support a coordinated emergency transportation system that includes paramedics in chase vehicles throughout the state. As the state develops its plan for bioterrorism, high priority should be placed on strengthening the emergency transportation system in rural areas. *Legislative Action.*
- ⇒ **HC-9:** Improve training and education for paramedics and other emergency personnel via videoconferencing and other technologies. *Legislative Action.*
- ⇒ **HC-10:** Support rural transportation systems that include transportation to the nearest medical referral centers.
- ⇒ **HC-11:** Require local transportation programs subsidized by the state or county to include transportation to medical referral centers. *Legislative/Administrative Action.*
- ⇒ **HC-12:** Remove legal barriers to allow volunteer transportation services to be used for medical purposes. *Legislative Action.*
- ⇒ **HC-13:** Provide support for rural counties to implement and maintain an Enhanced 911 services. *Legislative Action.*



### Distribution of Resources

- ⇒ **HC-14:** Encourage the equitable availability of state-of-the-art equipment needed for basic health care in rural areas of the state.
- ⇒ **HC-15:** Work with local health providers to create a statewide database of health care resources. *Administrative Action.*
- ⇒ **HC-16:** Create incentives to encourage rural hospitals and other rural providers to share technology, equipment and scarce professional staff. Provide a state match for capital investments by multiple rural providers, where the service is needed, and where joint projects avoid duplication. *Legislative Action.*

### Costs and Insurance Coverage

- ⇒ **HC-17:** Remove financial disincentives that exist for providers in rural areas, such as those imposed by limited health maintenance organizations (HMOs).
- ⇒ **HC-18:** Eliminate mechanisms such as area wage adjustments that result in less reimbursement to rural providers than urban providers for the same service. *Legislative Action.*
- ⇒ **HC-19:** We recognize the social and economic value of patronizing local pharmacies. Eliminate financial incentives for patients in government-supported programs to use mail-order pharmacies. *Legislative/Administrative Action.*
- ⇒ **HC-20:** Require state agencies to consider the increased costs of regulations to small and rural health providers. State agencies should be required to consult with the Indiana Rural Development Council (IRDC) and health industry associations on the potential economic impact of administrative rule making. *Legislative/Administrative Action.*

### Manpower

- ⇒ **HC-21:** Increase incentives for lifelong learning opportunities in rural areas. Business and industry, particularly the rural health care industry, should be encouraged to develop their own human capital, instead of waiting for a major industry layoff or shutdown/closure. These efforts will enhance a community's overall economic development, specifically rural growth and development.
- ⇒ **HC-22:** Provide state incentives to public universities that offer mid-level (i.e. allied health professionals, dentists, pharmacists, optometrists, nurses) health care professional degree programs that emphasize preparation for rural practice. Offer degree programs in all regions of the state to train students and health care professionals have shown interest in serving rural communities. *Legislative/Administrative Action.*

- ⇒ **HC-23:** Reimburse state universities for additional costs (including capital costs) of health professional programs that currently serve rural populations. *Legislative Action.*
- ⇒ **HC-24:** Encourage state leaders to fund additional rural health programs, as identified in this document. *Administrative Action.*
- ⇒ **HC-25:** Designate areas of personnel shortage, poor health (i.e. Health Power Shortage Areas [HMSA's] and Medically Underserved Areas [MUA's]). Provide technical and financial assistance, as well as targeted financial incentives and indirect supports to rural communities. *Legislative Action.*
- ⇒ **HC-26:** Federal policies governing the service to MUA's should be reviewed to better serve rural areas. For example, USDA should reverse its decision to not process J-1 Visa applications for medical professions. *Legislative Action.*
- ⇒ **HC-27:** Require the State Division of Mental Health to examine the adequacy of existing rural mental health resources and work with local mental health centers to ensure appropriate personnel and services are available and accessible to residents of rural areas.
- ⇒ **HC-28:** Develop a network of health services accessible to migrant workers in Indiana. This will require special emphasis on language and cultural needs.

#### ***Case in Point***

The Indiana Commission on Hispanic/Latino Affairs issued “*Latinos in Indiana: Characteristics, Challenges, and Recommendations for Action*” in March 2002. This report states “The Hispanic/Latino population has health service needs that may differ from those traditionally delivered by the Hoosier social service network, health and medical agencies. Individuals of Hispanic/Latino descent can face both unintentional and intentional barriers when they attempt to access those services. In particular, cultural differences, language difficulties, and lack of individual awareness of the services available all serve as obstacles to individuals and families.”

- ⇒ **HC-29:** Support activities most likely to locate, retain and advance mental health professionals in rural areas with a special emphasis on *high speed, broadband access* that would allow videoconferencing, telehealth, advanced telecommunications, and telemedicine to flourish. *Legislative and Administrative Action.*
- ⇒ **HC-30:** Integrate existing county health databases into a common database to facilitate efficient and meaningful access. State and local policy makers should refer to this database when formulating health policy. Encourage the coordination of efforts conducted in response to bioterrorism issues. *Legislative and Administrative Action.*

- ⇒ **HC-31:** Require the Federal Home Loan Administration (FmHLA), Department of Urban Housing (HUD) and other federal agencies to give special attention to the needs of essential rural health facilities when making loans to institutions for capital improvement. *Administrative Action.*
- ⇒ **HC-32:** Encourage the Indiana Higher Education Commission (IHEC) to develop a plan for the state's educational institutions to meet the health manpower needs of Indiana, including rural Indiana. The IRDC should also develop its own plans incorporating elements of IHEC and other organizations' health manpower plans and advance them to the Indiana Legislative Council and the Indiana General Assembly for consideration. *Administrative Action.*
- ⇒ **HC-33:** Encourage the state EMS Commission to develop a plan that emphasizes distance education to enhance available paramedic services in every county in Indiana. Reliance on voluntary EMS does not insure adequate paramedic service. Efforts should be made to develop paid professional paramedic services when possible. *Administrative Action.*

## Public Policy

The state should:

- ⇒ **HC-34:** Insure that rural providers who face low volumes of patients, with a high percentage of patients dependent on Medicaid, are not driven out of business by cuts in reimbursement. Many rural providers serve higher-than-average numbers of patients served by Hoosier Healthwise, Medicaid and other programs. In such cases, special accommodations should be made to reduce the burden state-controlled reimbursement reductions would impose. *Legislative/Administrative Action.*
- ⇒ **HC-35:** Increase fiscal support for the State Office of Rural Health to better support rural health efforts. *Legislative and Administrative Action.*
- ⇒ **HC-36:** Promote an increase in Indiana's share of the federal rural health resources including:
- The National Health Service Corps (NHSC) which provides placement services, scholarships and educational loan repayment to providers willing to serve in HMSA programs;
  - Programs that provide grants to schools educating and training primary care providers (e.g. family practitioners, physician assistants, and nurses);
  - Federal Area Health Education Centers (AHEC) which links medical centers with rural practice sites to provide educational services and rural clinical experiences to students, faculty, and practitioners in variety of health professions. Special emphasis should be placed on training and continuing education for nonphysician health professionals to prepare individuals for rural practice;

- Community and Migrant Health Centers (C/MHC) grant programs, which fund primary care facilities in rural areas. These are heavily promoted/funded by the federal government;
  - Primary Care Cooperative Agreements where the federal government assists states in assessing needs for primary health care and developing plans to address rural needs; and
  - The Rural Health Care Transition Grant that provides grants to small rural hospitals for strategic planning and service enhancement. *Legislative Action.*
- ⇒ **HC-37:** Phase in matching financial support for AHEC program and promote the development of AHEC sites. The state should include the development of rural healthcare infrastructure in rural economic development plans. All state agencies, universities, hospital systems, and rural community leaders (i.e. business, labor, education, rural adult/youth agricultural farm groups) engaged in rural health efforts should coordinate project funding with state economic development agencies when the project serves both economic development and access to health care in rural Indiana. *Legislative/Administrative Action.*
- ⇒ **HC-38:** Utilize local Step-Ahead Councils to identify health care needs in rural counties. *Administrative Action.*
- ⇒ **HC-39:** Develop a program to overcome communication and cultural barriers to social, health care and public health services for immigrants in rural communities. *Legislative/Administrative Action.*
- ⇒ **HC-40:** Remove administrative barriers to using existing health care providers and resources in rural areas, consistent with other states.
- ⇒ **HC-41:** Permit nurse practitioners to have their own panel of patients in rural counties where there is not sufficient medical manpower to provide coverage under the Children's Health Insurance Program (CHIPs). *Administrative Action.*
- ⇒ **HC-42:** Allow rural hospitals to utilize Certified Nurse Anesthetists to the fullest extent of their training. *Legislative/Administrative Action.*
- ⇒ **HC-43:** Offer bonuses under Medicaid to physicians providing services in designated HMSA's, paralleling the current policy in Medicare. *Legislative/Administrative Action.*
- ⇒ **HC-44:** Eliminate structural barriers that include:
- Standards and requirements for Rural Health Clinics (RHC) and C/MHCs, including delays in certification efficiency standards that may be difficult for C/MHC's to meet;
  - State license restrictions and regulations that prevent hospitals from reducing the scope of services (e.g. converting to a facility that offers only emergency, subacute and primary care); and

- Restrictions on public hospital activities that prevent publicly-owned rural hospitals from providing services not expressly or implicitly permitted by their enabling statutes. *Legislative/Administrative Action.*

# **FOCUS GROUP REPORT**

## **ON**

# **LOCAL PLANNING**

*When you begin a project without planning, in the end, you rely on luck.*

The Local Planning focus group considered how to cultivate a better relationship between the state of Indiana and its rural population relative to local planning needs.

Representatives from the economic, community and industrial development, federal, state and county government, and the for-profit and not-for-profit sectors met to discuss major issues related to local planning in smaller municipalities and rural areas.

Here in Indiana there is a lack of emphasis placed on the planning process. Additional technical and financial planning resources are needed to assist rural communities. The recent demise of the state-funded Community Planning Fund eliminated the main source of financial assistance. The state should take a leadership role to encourage proper planning processes in rural Indiana, where fewer financial and technical support resources exist.

We are fortunate that an informed General Assembly and knowledgeable representatives from state agencies represent the state of Indiana. This focus group believes that local planning ensures a community's long-term goals are met, and the quality of life is not only sustained, but also improved.

Each community defines Quality of Life differently. Some small towns are happy with the cozy feel and are intent on keeping things as they currently exist. Some towns want to grow and continue to look towards the future with eager anticipation. Regardless of the objectives, without planning, a community is setting itself in a reactive mode, destined to follow the whim of anyone willing to take the lead and define what that community's quality of life will be.

Local leaders should be discouraged from taking a "quick fix" attitude. Every local official should understand the long-term implications their decisions have on a community and see specific projects as part of a larger comprehensive plan

Financial incentives should be provided to communities for planning. However, funds should not be thrown at a problem without looking at a coordinated solution. The combination of education and funding should allow the state a sense of confidence when local projects are funded with generous assistance from state and federal government programs.

Identifying the major needs of rural communities always seems to lead to a conversation about funding. Financial assistance is essential to many projects, but when state money is utilized on a local project, the community seems to lose a bit of its identity. In these instances, we feel that finding a balance is vital. Each community should be given the opportunity to form its own vision, to set its own goals and to achieve the success for which it strives.

## Communication in Local Planning

Major Themes Identified:

Local Coordination and Outreach  
Public Education  
Conflict Resolution  
Home Rule

**Turf wars at the local and regional levels** – There are many stories of small town rivalries. This phenomenon is not limited to Indiana. Differing personalities, conflicting political views, history and economics are often the cause of deadlock. Communities do not always understand the value of planning on the local, regional and state levels and how it benefits them. Educating local leaders as to the benefits of coordination and communication needs to be a major push led by the state.

**Conflicts at the local level** – Many local conflicts arise from emergencies the community is facing; but by the time a crisis develops the planning process has broken down or does not exist. Rarely are major problems resolved through conflict. Many communities find themselves at an impasse due to conflicts over minor issues without addressing the big picture. More often than not, proper planning and the necessary exchange of ideas was not conducted. Conflicts can be positive if:

- Ideas are respected and shared,
- Individuals throughout the community are invited to identify a role for themselves to play in the project; and,
- A planning process is utilized to map out the life of the particular program or project at hand.

**Decision-making** – Educating citizens on why and how decisions are made is important to the effectiveness of any planning process. Should any leader be allowed to move the community in a particular direction without including the residents in that decision? Planning assists leaders by giving residents the opportunity to be involved. Good planning allows questions to be answered before they are asked.

**Involving citizens** – Communities need to inform and assist citizens about opportunities for participation in community planning. Consensus building and conflict resolution must be built into the planning process so that conflict does not cause a bottleneck. Leaders must communicate the facts surrounding a situation and dispel the rumors that can run rampant and kill the process. The proper planning process can move forward successfully if people are brought together and allowed to decide what role they can best fill and are allowed to share ideas.

**Identify and invite all stakeholders** – Stakeholders should be included early in the planning process. Inclusion allows for better coordination and definition of roles. Moreover, if stakeholders are not invited into the process, it is possible they can create additional hurdles to a project's progress.



Getting people involved is often harder than it sounds. When a project upsets a group of residents, you can be guaranteed that they will attend meetings. A supported project often gains little meaningful input from citizens, even though public hearings are often required. Quality planning ensures the involvement of key individuals, regardless as to whether a project is viewed as good or bad.

**Collecting and sharing ideas** – The state should provide rural Indiana with more community development tools. The state can provide a list of best practices for various planning activities outlining the basic to take for successful planning and project implementation. There are numerous organizations throughout the state with a membership of local municipalities that would benefit from such a guide. The state should utilize those organizations to reach out to their membership and assist in the local planning education. This will help to increase the number of “community-driven” projects, as opposed to “consultant-driven” projects, as the knowledge and planning skills of local leaders increases.

**Encourage the coordination of regional projects** – As communities within the same region begin planning, communication between those entities is important. Perhaps projects can be combined. Perhaps coordination could result in a more affordable project.

**Barriers to communication** – Part-time public officials are a way of life in rural Indiana. Leaders often take on the additional responsibility of governing in addition to other full-time jobs. Jay County has a community development representative to assist if local officials work other jobs. This individual serves as the “hub-of-communication” for the county, similar to the function of a community planner.

### **Recommendations**

- ⇒ **LP-1:** Develop a list of organizations and associations that assist local communities in the planning process. Partner with organizations that have already identified planning options and tools.
- ⇒ **LP-2:** Provide training to local officials on better techniques for involving citizens in the decision-making process.
- ⇒ **LP-3:** Provide a list of best practices for various planning activities.
- ⇒ **LP-4:** Establish an information clearinghouse for local planners to access expertise.
- ⇒ **LP-5:** Inform and assist citizens about opportunities they have to participate in community planning.
- ⇒ **LP-6:** Develop a communications hub for regional capital improvements projects.

- ⇒ **LP-7:** Schedule decision-making meetings to take place when and where they are most convenient for local stakeholders.
- ⇒ **LP-8:** Require public agency officials to be more flexible to meet the needs of the local stakeholders.
- ⇒ **LP-9:** Provide training on conflict resolution and mediation for local leaders.

## State Planning As It Relates to Local Planning in Rural Indiana

Major Themes Identified:

- Funding
- Local Identity
- State Outreach
- Coordination Between Agencies
- Regulatory

**Financial Assistance** — The paperwork required by local communities to access funds is burdensome and should be simplified. Some of the major problems are based at the federal level. We ask that Indiana step up and speak for small communities. Encourage more flexibility when it comes to requirement for both state and federal planning funds.

The Community Planning Fund, a state-funded planning grant program administered by the Indiana Department of Commerce has been eliminated. It should be reinstated to give communities the financial assistance necessary to conduct proper planning activities. Additionally, local governments should set aside funds to invest in local planning resources and staff. At the same time, the state-led planning process should incorporate a holistic approach without becoming program specific.

Federally-regulated Community Development Block Grant funds are only intended for low-to-moderate income communities. This should be changed so communities have access to these funds for comprehensive planning.

**Statewide Technical Assistance** -- Regional training opportunities should be promoted to better utilize current programs. State and local representatives providing technical assistance should be identified and publicized to local communities. Local leaders should be trained in the planning techniques that build and strengthen their local planning expertise.

**State's role in planning** -- Planning processes at the state level are fragmented and non-comprehensive, leading to reactionary decision-making. The state should adopt a proactive role by demonstrating to local communities that planning plays an important role at the state level: "Talk-the-talk, and walk-the-walk."

Planning processes within state government should be coordinated. State planning should be comprehensive and ongoing, rather than driven by the requirements of categorical grants. The state planning process (and the goals of the project) should not be sacrificed due to the requirements of available funding programs.

**Working relationships** – Partnerships between state agencies and local communities are essential to make permitting and infrastructure procedures more user friendly. The state should:

- Develop a proactive working relationship to assist communities in solving their problems by seeking solutions rather than by punishment,
- Create more of a “good cop” personality with agency officers,
- Educate state agency representatives about the realities of running a rural community, and
- Promote ombudsman programs for rural communities within all state agencies.

**State and federal regulations** -- The state must provide adequate lead time and forecasting for regulatory changes. Better coordination is needed between state agencies and with local communities on projects and upcoming regulations. Make certain responsible parties (consultants, officials, etc.) are aware of regulatory changes. State agency representatives should make themselves available to local elected officials to discuss and inform them of upcoming regulatory changes, not only when regulations are implemented. Local governments should be allowed to complete a permitted construction project within the guidelines (and timelines) of the original permit, instead of imposing new regulations on a project that is in progress.

Federal programs that are administered through state agencies should be administered in a timely manner and with minimal changes to federal guidelines. If state guidelines are stricter than federal requirements, state agencies should provide justification to communities. The additional costs of stricter mandates are passed on to the local level.

**Coordination of goals** -- The planning process should be locally driven. The state should provide technical and procedural assistance to help local communities plan. Local communities should realize that local goals should compliment state and regional plans.

### **Recommendations**

- ⇒ **LP-10:** Reinstate the Community Planning Fund of the Indiana Department of Commerce and encourage comprehensive plans.
- ⇒ **LP-11:** Provide sustained funding to help local communities plan and/or access the services of qualified community planners.
- ⇒ **LP-12:** Ensure that a community’s needs drive the planning process.

- ⇒ **LP-13:** Write funding program guidelines so that local needs are the driving force for planning. State grant programs should give preference to a project that is in compliance with local planning goals.
- ⇒ **LP-14:** Coordinate visions, policies, goals and projects between state agencies and local communities.

***Case in Point***

In the Transportation Plan for DeKalb County 2000, the Northeastern Indiana Regional Coordinating Council states, “The objective of the rural transportation planning initiative is to facilitate and coordinate transportation planning activities and improvements in the urban communities and rural area of DeKalb County. The coordination of these activities with local governments, the Indiana Department of Transportation, and other interested agencies will promote a safe and efficient transportation system that supports and encourages economic development.”

- ⇒ **LP-15:** Require local communities to be committed to adoption of a comprehensive plan prior to receiving planning funds.
- ⇒ **LP-16:** Develop incentives for local communities to have a current comprehensive (IC. 36-7-4) plan prior to receiving state technical and financial assistance.
- ⇒ **LP-17:** Open the state’s planning process to include communities’ needs and unique situations. State planning should always begin at the local level and work up.
- ⇒ **LP-18:** Require agency representatives to make themselves available to local elected officials to discuss and advise of upcoming regulatory changes.
- ⇒ **LP-19:** Change federal policy on Community Development Block Grants guidelines so that these planning funds can be accessed by other needy communities and used for comprehensive planning.

**Implementation of Local Planning**

Major Themes Identified:

Transition  
Long-term continuity  
Skill levels

**Skill level of decision makers** -- Some elected officials need assistance and training to assist in the management of their communities. Often community leaders are forced to make decisions they are not technically qualified to make. Statewide organizations and associations offer programs to build leadership, expand networking opportunities and increase knowledge, but they are offered on a limited basis.

**Ensure long-term planning --** Planning in many areas is treated only as zoning. Many community members may not understand the difference between comprehensive planning and implementation of the plan through zoning. In the state of Indiana, you can have planning without zoning, but you cannot legally have zoning without planning. Planning must come before zoning, and should be visionary and long-range.

Too often planning takes place based on the elected officials term of office instead of the long-term needs of the community. Sustained planning, with periodic updates, can span differences between elected officials and de-politicize the process. Public involvement is vital for follow-through, and protects communities from bad decision-making. The likelihood of the project ending in success, even with a change in leadership, increases when the community is aware of a project and has been included in the process.

### **Recommendations**

- ⇒ **LP-20:** Provide funding and support for additional training for local officials through statewide associations and organizations.
- ⇒ **LP-21:** Integrate a system of benchmarks into long-term plans that will survive the terms of elected officials.
- ⇒ **LP-22:** Provide transition training for elected officials, for both current and new office holders.
- ⇒ **LP-23:** Recognize and encourage local elected and appointed officials to participate in training programs offered by statewide organizations and associations.
- ⇒ **LP-24:** Provide financial incentives for local communities who have established benchmarks in their plans.

### **Summary**

In summary, funding is a central challenge that rural Indiana faces with respect to local planning. However, a strong model and examples of good planning by the state can help to encourage effective and meaningful planning in smaller communities.

# **FOCUS GROUP REPORT**

## **ON**

### **LAND USE**

The Land Use focus group met twice in March and April 2002, to develop recommendations for the rural economic development strategy. The following report reflects that effort.

Land is important to the economic health and quality of life for Indiana citizens. Indiana's economic and population growth over the last decade spawned concern about the viability of agriculture, loss of community character, growing environmental problems, and the urban-suburban-rural-farm interface.

### **Recommendations**

#### **Coordination of Land Use Issues Among State Agencies**

Actions by state and federal agencies often have ramifications for future land use. The effects of these actions on land use often are not considered. The Indiana Hoosier Farmland Preservation focus group and the Indiana Land Resource Council (ILRC) have articulated both the need for further coordination among federal, state and local governments and for the consideration of impacts. The recent work by the multi-agency Indiana Land Use Forum was one effort to raise the awareness and increase coordination of state agencies about land use issues.

- ⇒ **LU-1:** Continue efforts that encourage state agencies to consider land use issues when making decisions.
- ⇒ **LU-2:** Encourage increased coordination among state agencies and local governments on land use issues.

#### ***Case in Point***

In its State Plan of Work (1999-2004), Purdue University Cooperative Extension Service devotes Section 3 to land use. As one of its program objectives, the report states, "Elected officials, citizens, state agency staff, and single-interest parties, which do not typically work together, will enhance their skills in collaborative problem-solving. The goal of working together is to achieve a balanced economic growth and to sustain an adequate natural resource base which enhances the community's quality of life as defined by the residents."

#### **Planning Resources for Local Communities**

Many Indiana communities are experiencing growth. All communities are dealing with changing development preferences and patterns and complex land use dynamics, even in cases where their populations are either stable or declining. Changing land use conditions often dictate the adoption of new plans and ordinances or the revision of existing ones, as well as hiring professional staff to administer them. Unfortunately, many communities do not have adequate resources to make these important investments to hire staff or to undertake plans and ordinances.

Land use issues and planning needs vary by location. There can be dramatic differences in issues facing metropolitan areas and other communities that are experiencing urbanization, suburbanization and rural fragmentation. Effective land use policy requires a variety of tools to address these varied circumstances.

In addition, the increasing complexity of land use dynamics and the frequent turnover of elected and appointed planning officials, suggests the ongoing need for education about these dynamics and the tools used to manage them.

- ⇒ **LU-3:** Provide support and funding for continuing education programs for appointed and elected officials.
- ⇒ **LU-4:** Inventory land use and planning education programs available in the state.
- ⇒ **LU-5:** Provide financial incentives to communities to hire professional planners and building inspectors, similar to the incentive offered for certified county engineers.
- ⇒ **LU-6:** Provide financial support for the completion of planning studies, including comprehensive plans and development ordinances.
- ⇒ **LU-7:** Cooperate with the ILRC in the development of new or augmented land use tools, including clarification of current regulations and enabling legislation.
- ⇒ **LU-8:** Provide technical assistance for those counties and municipalities that do not have comprehensive planning.

### **Economic and Community Growth Measures**

Traditional measures of economic and community development activity often do not take externalities or tradeoffs into account. Often we identify new development as good without considering the balance of benefits and costs to the community. Often we applaud new jobs associated with the new activity without considering the net community impact such as jobs lost by competing businesses.

- ⇒ **LU-9:** Establish a business maintenance index that incorporates new and lost businesses.
- ⇒ **LU-10:** Leverage resources to maximize community and regional assets and strengths.
- ⇒ **LU-11:** Track the secondary economic and community development activity associated with new ventures.

### **Regional Issues**

Growth and other land use issues often cross local boundaries. In some cases, problems arise because of the differences in circumstances and policies among neighboring jurisdictions. Good planning dictates that local leaders be willing to collaborate with multiple neighboring jurisdictions with the region.



- ⇒ **LU-12:** Create economic incentives, including economic, to encourage regional planning for land use, transportation and economic development.

### **Agriculture as Economic Development**

Agriculture is an important part of the social, cultural and economic identity of Indiana. As such, we must consider agriculture as legitimate economic development and work to keep these areas viable. Similarly, agricultural land must be considered a legitimate and important land use rather than as simply “vacant” or “undeveloped.”

- ⇒ **LU-13:** Encourage the use of multiple agricultural zoning designations such as those implemented by Elkhart County. These can protect and encourage the maintenance and growth of agricultural enterprises.
- ⇒ **LU-14:** Encourage participation by farmers in voluntary protection programs. Provide funding to augment these voluntary actions.
- ⇒ **LU-15:** Include representatives from the agricultural sector on local and state economic development boards.
- ⇒ **LU-16:** Encourage the development of agricultural enterprises, using tools such as incubators and other transition assistance programs, to encourage diversity in agriculture.

### **Conservation and Protection of Natural Areas**

Natural areas, including agriculture, forests and wild lands, are important to maintain a vibrant state economy and high quality of life. These important natural resources provide inputs for Indiana’s industries such as manufacturing and tourism. They also stand as integral components of the state’s character and culture.

- ⇒ **LU-17:** Provide new state funding for farmland and natural resource protection.
- ⇒ **LU-18:** Encourage use of federal conservation programs such as the Farmland Protection Program (FPP) and the Forest Legacy Program (FLP).

#### ***Case in Point***

In its Work Plan 2002, the Wood-Land-Lakes Resource Conservation and Development Council states as one its goals pertaining to balancing rural and urban land use needs, “implement, monitor and reevaluate new policy on conservation easement donations.”

- ⇒ **LU-19:** Empower local governments to adopt funding mechanisms for farmland and natural resource protection.
- ⇒ **LU-20:** Clarify current regulations and adopt enabling legislation so local governments can develop conservation programs and hold easements.

- ⇒ **LU-21:** Clarify the definitions of open space, green space and agricultural land when developing state and local conservation programs.

### **Regulation of Agriculture**

Agricultural runoff and manure management are becoming increasingly controversial issues. There is concern that current regulations do not consider adequately the current water quality status of streams, the multiple sources that have contributed to those conditions, or the appropriateness of tiered water quality standards.

- ⇒ **LU-22:** Commission and fund a new data collection effort to define and establish the water quality standards for waters of the state. Standards need to be achievable and effective. Regulations must be results-oriented to maintain or improve water quality.
- ⇒ **LU-23:** Develop common sense, tiered water quality standards that establish which waters must meet designated uses (“swimmable,” “fishable,” and/or “drinkable”).
- ⇒ **LU-24:** Develop a step-by-step guide for applicants to gain agricultural permits/approvals from the Indiana Department of Environmental Management (IDEM).
- ⇒ **LU-25:** Require coordination between the Natural Resource Conservation Service (NRCS) and IDEM on manure management plans and wetlands mitigation.
- ⇒ **LU-26:** Require coordination between the Office of the Indiana State Chemist and IDEM on fertilizer and pesticide regulations.

### **Water Quality Issues**

Applicants as well as local government officials are often challenged by the seemingly uncoordinated maze of state and federal agencies (IDEM, Indiana Department of Natural Resources [IDNR], Indiana Department of Transportation [INDOT], NRCS and the U.S. Army Corps of Engineers [ACOE]) that have regulatory authority over water quality issues. Governments often are called upon to solve issues for applicants after the process has engendered considerable frustration. Current standards do not meet the needs of local decision-makers.

- ⇒ **LU-27:** Commission and fund a new data collection effort to define and establish the water quality standards for waters of the state. Standards need to be achievable and effective. Regulations must be results-oriented to maintain or improve water quality.
- ⇒ **LU-28:** Increase general coordination between and among local, state and federal agencies on water quality issues.
- ⇒ **LU-29:** Provide an ombudsman function at the state level or a single point of contact to simplify water permitting and other regulatory processes.
- ⇒ **LU-30:** Develop common sense, tiered water quality standards that establish which waters must meet designated uses (“swimmable,” “fishable,” and/or “drinkable”).

- ⇒ **LU-31:** Communicate early with local governments about policy, development and regulatory issues.

### **Wastewater Infrastructure**

Decisions about wastewater infrastructure and the placement of on-site wastewater facilities have obvious potential effects on water quality. Often these systems fail because of improper siting and/or lack of important routine maintenance. Failing systems create problems with ground and surface water, despite the fact that much of the soil in Indiana is considered unsuitable for traditional septic systems. The number of systems permitted each year is rising.

A number of alternate technologies exist for providing on-site wastewater treatment, including traditional treatment and distribution facilities, mound and cluster systems, and package treatment plants. Their success also is dependent, in large part, on proper siting and regular maintenance.

- ⇒ **LU-32:** Clarify Indiana State Department of Health (ISDH), IDEM and county health departments' roles in wastewater management to eliminate the confusion from regulatory overlap.
- ⇒ **LU-33:** Require the ISDH to certify system maintenance personnel and installers certification for on-site wastewater treatment systems.
- ⇒ **LU-34:** Establish ISDH should establish on-site wastewater rules and develop an effective enforcement program.
- ⇒ **LU-35:** Explore additional mechanisms for providing maintenance of on-site systems.
- ⇒ **LU-36:** Encourage ISDH and IDEM to approve emerging technologies, and offer guidance and technical assistance on these technologies for on-site systems. These include, but are not limited to, septic, mound and cluster, constructed wetlands and package systems.
- ⇒ **LU-37:** Require IDEM to consider local comprehensive plans when citing and sizing traditional wastewater treatment plants.
- ⇒ **LU-38:** Change IDEM regulations to allow the creation of a governance structure for a sewer district without the approval of a sewer project.
- ⇒ **LU-39:** Require additional state or federal mandates calling for implementation by local governments to have accompanying technical assistance and funding.

### **Geographic Information Systems**

Geographic Information Systems (GIS) is an important tool that has many applications relevant to land use decision-making. Many local governments are implementing systems

without the benefit of state standards to ensure that data can be shared with state agencies and other entities.

- ⇒ **LU-40:** Finalize common GIS standards that allow data to be shared across systems (federal, state and local).
- ⇒ **LU-41:** Encourage all state agencies to cooperate in the development and use of statewide GIS resources.
- ⇒ **LU-42:** Provide incentive funding to local communities that develop systems using state standards.
- ⇒ **LU-43:** Provide the Indiana State GIS Initiative and the Indiana GIS Council with the authority and resources to complete implementation of their work plan.
- ⇒ **LU-44:** Provide outreach and guidance to communities that have not developed GIS systems.

### **Telecommunications Infrastructure**

Affordable high-speed telecommunications infrastructure is essential to today's economic development. Many communities in Indiana are struggling to get access to high-speed, reliable Internet services.

- ⇒ **LU-45:** Provide funding and technical support to all communities to improve telecommunication infrastructure.
- ⇒ **LU-46:** Include local planners in public and private development of telecommunications infrastructure and the connectivity to it.
- ⇒ **LU-47:** Encourage local governments to include telecommunication infrastructure in the planning process.

# **FOCUS GROUP REPORT**

## **ON**

# **LEADERSHIP DEVELOPMENT**

Leadership development is one of 10 components identified in the rural economic development strategy. A committee representing various interests and levels of expertise with respect to leadership was convened. The committee provides the following justification and recommendations for building the leadership capacity of rural Indiana.

Leadership capacity is the foundation of all strong economic and community development in rural areas. Resources allocated for building the leadership capacity in rural communities must be at least equal to allocations for all other strategic components of rural economic development. All efforts must be made to capitalize on and partner with existing leadership development programs.

The rural leadership development strategy includes three components:

- ❖ Identifying and recruiting leaders.
- ❖ Providing leadership development training.
- ❖ Allocating adequate funding to support leadership development training.

### **Recommendations**

#### ***Identifying and Recruiting Leaders***

- ⇒ **LD-1:** Create a statewide awareness that recruiting and training leaders is a top priority.
- ⇒ **LD-2:** Provide communities with tools and techniques for raising awareness of the importance of leadership in their communities and to encourage individuals to step into leadership roles.

#### ***Case in Point***

In its 2002 Plan of Work, the Four Rivers Resource Conservation and Development Council states as one of its goals, “Promote leadership programs to foster a better quality of life.” An accompanying objective is to provide training for citizens of Southwest Indiana by developing a web page for Southern Indiana.

- ⇒ **LD-3:** Define leadership roles and opportunities in communities to help potential leaders better understand where they can serve. This includes surveying needs of local government, schools, social service organizations, leadership organizations, etc.
- ⇒ **LD-4:** Promote the importance of developing leadership in all population sectors, including youth, seniors, ethnic and economic groups.
- ⇒ **LD-5:** Create a clearinghouse for available leadership resources/programs, “success stories” and a speakers’ bureau to assist local communities.
- ⇒ **LD-6:** Provide awareness of benefits and risks of leadership involvement.

- ⇒ **LD-7:** Inventory resources available to help communities assess their leadership development needs.

***Providing Leadership Development Training***

- ⇒ **LD-8:** Inventory available leadership development resources, curriculum, programs, etc. available to local communities and make this information available to all communities. Examples of these resources include the Indiana Leadership Association (ILA), state universities, local community leadership programs, youth leadership programs, etc.
- ⇒ **LD-9:** Utilize organizations with leadership development information and resources, such as ILA, state universities, IRDC, Indiana Association of Cities and Towns (IACT), and Association of Indiana Counties (AIC) to provide training to help local communities meet leadership development needs.
- ⇒ **LD-10:** Ensure all training and development programming respects and includes diversity of culture, age, race, economic status, length of residency in community, etc.
- ⇒ **LD-11:** Ensure that all leadership training and development programs are tailored to meet local needs and easily accessible to all community residents.
- ⇒ **LD-12:** Expand community leadership development to include different strategies such as leadership skills training, asset models, mentoring programs, leadership recruitment and community awareness and education.

***Case in Point***

In its State Plan of Work (1999-2004), Purdue University Cooperative Extension Service devotes Section 4 to leadership development. The report states “Leadership development, including personal leadership, organizational leadership, community leadership, and leadership in special interest efforts, are keys to training local citizens for expanded leadership roles. Leadership programs are not a quick fix. They are a long term process of improvement and change that will affect the local community.”

- ⇒ **LD-13:** Provide communities with tools to solicit and acquire support of schools, businesses and industries to enable students and employees to participate in leadership development opportunities.
- ⇒ **LD-14:** Create and implement a leadership development curriculum for elementary and secondary schools.
- ⇒ **LD-15:** Develop a system to provide accreditation of leadership development programming to ensure quality training.

***Allocate adequate funding to support leadership development training***

- ⇒ **LD-16:** Provide state funds for leadership development training to programs that build leadership development capacities. The Build Indiana Fund (BIF) should be considered as one funding source.
- ⇒ **LD-17:** Use and promote funding strategies that encourage local funding sources, private industry sources, and foundation and grant sources to match available state funds. Leadership development programs and endeavors should be recognized on their own merit, and should not have to compete with other types of programs for funding.
- ⇒ **LD-18:** Separate funding for leadership curriculum development from funding for actual conduct and operation of leadership programs.
- ⇒ **LD-19:** Provide funding to support “train-the-trainer” programs for leadership development program directors and statewide/regional public awareness programs/forums.
- ⇒ **LD-20:** Provide funding to support the development of a leadership resource directory and clearinghouse.
- ⇒ **LD-21:** Fund a statewide initiative to create a leadership development curriculum for elementary and secondary schools.
- ⇒ **LD-22:** Ensure adequate funding support for leadership development curriculum in place at the secondary and post-secondary education levels, i.e. FFA.
- ⇒ **LD-23:** Fund the development of an accreditation system for leadership development training.

**Rationale for Recommendations**

***Identifying and recruiting leaders***

Community issues and needs are addressed through strong community members skilled in leading the community into action. Many rural communities appear to lack a pool of motivated people and resources to move their community forward. In fact, it may be a lack of confidence and adequate training that prevents individuals from stepping forward to lead their community. It is important to strengthen the leadership capacities of community members and provide them with the right opportunities to step into leadership roles. Community members must feel their involvement is welcomed and needed for them to step into the various leadership roles.

Outreach and awareness is needed to educate and recruit youth and adults to be more concerned about the welfare of their community and to be active in working toward innovative solutions. Once involved, these emerging leaders will continue to evolve.



Outreach should include new residents, those who have never been involved, and residents who are likely to get involved only when something directly affects them.

Recruitment is an ongoing process and should focus on creating a diverse leadership pool of different talents. No one profile defines a “perfect leader.” Different leaders are needed for different situations. Leadership recruitment efforts should match the community’s population demographics.

Certain population subsets are prime candidates for leadership. An example of this would be youth and new community residents. It is important for these groups to understand the value they have in the community. Encouraging their involvement increases the likelihood they will remain a part of the community and have ownership in the betterment of the community. Another great asset in every community is the senior citizen population. They have knowledge, experience and time to devote to their communities. They can serve as leaders and mentors for future leaders.

As leaders are identified and placed, it is important to empower them to engage in meaningful efforts. It is important to support their efforts in ways that encourage rather than discourage their involvement.

#### ***Provide leadership development training***

Providing effective leadership development training is important. Education and training should meet the needs of the community’s residents and be accessible to all residents. Once leaders have been identified and recruited, it is important to provide them with the proper training, skill development and community awareness to enable them to be successful in leadership roles.

There are numerous local, regional and statewide leadership development programs in existence, and many of them offer good models to follow. Utilize these models to further develop new or additional programs throughout Indiana while also capitalizing on available resources. There are many great resources available at state universities, in local communities and from various state organizations. In addition, many corporations offer leadership training that might be accessed to develop alternative programs. A variety of formats and venues should be available for leadership development training to meet the diverse needs of community members.

All effort must be made to minimize those factors that prohibit individuals from attending leadership development training. Employers, school officials, etc. must see the value of this training and be engaged in encouraging employees, students, etc. to participate without fear of penalties. In fact, leadership training program attendees should be commended.

#### ***Allocate adequate funding to support leadership development training***

Leadership is a key ingredient to all successful community projects. Funding leadership development is an investment in building strong Indiana communities and thus a strong state. Fostering leadership and incorporating the valuable skills needed to be effective can be costly. Leadership development efforts need to be identified locally and in partnership with community based organizations that can further the importance of this

effort. However, few rural communities have the financial resources to address this vital need.

There are efforts already in place in some communities to address leadership development needs, but funding is critical. These organizations need assistance in further developing the curriculum, in developing formats that are more accessible to the community at large, and in broadening their outreach efforts. New programming needs to be brought to those communities who have not yet instituted leadership development.

A lack of funding to support needs assessment, curriculum development, program design, program implementation and program sustainability remains.

# **FOCUS GROUP REPORT**

## **ON**

# **AGRICULTURAL DEVELOPMENT**

Agriculture plays an integral role in the financial health of Indiana's economy. Indiana farmers face increased competition from around the world. The mainstay of Hoosier farmers was in the marketing of bulk commodities. With the onset of a global marketplace, profit margins in these basic bulk commodities have become razor thin. While these markets are dwindling, new markets are emerging for value-added agricultural products.

Today's consumers demand high quality and specialty foods. Hoosier farmers are beginning to produce for niche markets, and make a move from bulk commodities to value-added food products. These producers are forming new relationships with other farmers, processors and retailers.

Indiana producers must find new ways to add value to their commodities. The rewards of the marketplace will ensure profitability to those who seek new and innovative approaches in redefining the traditional food system. Alternative agricultural processes need to be introduced and implemented to bring youth and vitality back to rural Indiana. Indiana's geographic location only enhances these alternatives by enabling Hoosier agriculture to reach two-thirds of the U.S. population within a one-day drive.

The Agricultural Development focus group discussed many issues regarding this cultural move from traditional bulk commodities and independence to value-added products and interdependence within the marketplace. We believe opportunities for Hoosier farmers are abundant, but seizing them will require new and innovative approaches. The following recommendations will facilitate this transition for many Hoosier producers.

### **Partnerships/Networking**

The relationship between traditional farm and commodity organizations and nontraditional agriculture, educational institutions and governmental agencies should be strengthened. The networking capability among groups is challenged because of the way agriculture is perceived by other economic sectors. Issues of small farmer versus large farmer, and production versus processing, will continue along with the challenge of declining rural political support.

### **Recommendations**

- ⇒ **A-1:** Charge the Office of the Commissioner of Agriculture and the Indiana Department of Commerce to move value-added agricultural development forward in Indiana and to provide more farmer-friendly programs and services.
  - Create and fund an agricultural value-added development specialist position in the Business Development Division of the Indiana Department of Commerce (IDOC), modeled after the International Agri-Trade Specialist in the International Trade Division of the IDOC.

- ⇒ **A-2:** Charge all 14 Indiana Small Business Development Centers (SBDCs) to work with the agricultural sector.
- ⇒ **A-3:** Explore other states' value-added councils and incorporate successful models within the state of Indiana.
- ⇒ **A-4:** Create a means for Indiana agricultural producers to better integrate into today's marketplace.
- ⇒ **A-5:** Establish a clearinghouse to coordinate value-added materials and to facilitate federal, state and local governments' to share financial and technical resources. Support efforts already taking place in Indiana, such as Indiana Farm Bureau's value-added initiative.
  - Develop the clearinghouse as a "one-stop" value-added shop for agriculture, modeled after the Environmental Infrastructure Working Group (EIWG) model.
- ⇒ **A-6:** Establish an "Indiana New-Ag Center" (Ag Marketing Resource Center) under the guidelines and funding of the U.S. Department of Agriculture – Rural Development's "Cooperative Development Center" Program. This center should be located within the Indiana Rural Development Council, Inc., until guidelines and policies are formulated.
- ⇒ **A-7:** Establish a young entrepreneur program to match people interested in farming with established farmers without successors or a succession plan. This would enable young people to enter production agriculture and ensure that farmland stays in agriculture.

### **Agribusiness Development**

Business development and value-added agriculture are made up of many components, including the following:

- Infrastructure,
- Marketing,
- Processing, and
- Financial.

Combined, they form the backbone of Indiana agriculture.

**INFRASTRUCTURE** -- A well-developed and maintained infrastructure is critical for viable agricultural operations in rural areas. Critical infrastructure requirements for the agricultural industry include: telecommunications, utilities, inter-modal transportation, roads and bridges, locks and dams, ports, irrigation and drainage, and health and emergency systems.

### **Recommendations**

- ⇒ **A-8:** Encourage and foster the development of cutting-edge telecommunications infrastructure (i.e., satellite connections, wireless, Internet, fiber optics) for rural areas.
- ⇒ **A-9:** Upgrade transportation systems in rural areas for business development opportunities.
- Develop an inter-modal staffing and technical assistance division in the Indiana Department of Transportation (INDOT).
  - Update the rail component of INDOT's master plan.
    - Develop INDOT programs to ensure the sustainability of rail lines in Indiana.
    - Require INDOT to include private rail companies in their master plan.
    - Encourage the development of transportation hubs.
    - Adopt new technologies for transporting agricultural products in and out of Indiana ("rail is the artery to agriculture's heart").
  - Enhance and enforce rail-crossing safety programs.
  - Expand and maintain Indiana's port capabilities.
  - Preserve and expand Indiana's surface water reservoirs for critical water needs.
  - Encourage the U.S. Army Corps of Engineers to modernize the Midwest lock and dam systems along the Ohio and Mississippi rivers.

**MARKETING** - Promotion of Indiana agricultural products is essential for rural communities to move forward. Farmers need assistance in defining their objectives and developing plans on how to achieve their goals. Rural communities should conduct market research to determine niche markets for local products and capitalize on community assets.

#### ***Case in Point***

In the "*Indiana Agriculture Recommendations for 2002 Federal Farm Policy*" developed by the Indiana Commission for Agriculture and Rural Development and Members of "Team Ag," the report states "If farmers are expected to move away from farm production payments, new value-added marketing systems must be developed to enable them to capture more value from their farm products. Marketing systems with improved economic signals, new products to fill market needs and rewards from the marketplace will be critical components of incentive programs."

### **Recommendations**

- ⇒ **A-10:** Encourage rural market development (i.e., regional agricultural marketing incubators, local farmers markets and farm auctions).

- ⇒ **A-11:** Budget a separate allotment of Women, Infant and Children (WIC) vouchers for use at farmers' markets. The state should also budget the senior citizens' voucher program, which provides an allocation for farmer's markets.
- ⇒ **A-12:** Create a "name-branding" and/or logo program for Indiana agricultural products through the Indiana Department of Commerce and Office of the Commissioner of Agriculture. Provide promotional dollars for consumer-brand recognition. The Indiana name-branding/logo program should:
  - Coordinate with Indiana Department of Commerce – Division of Tourism promotional programs.
  - Partner with the Indiana State Fair to promote the program logo.
  - Encourage agricultural and commodity groups to partner and promote Indiana-specific products.
- ⇒ **A-13:** Repeal state laws that discourage the sale of Indiana products across state boundaries.
- ⇒ **A-14:** Pursue the repeal of federal laws through Congress that prohibit the sale of state-inspected meat products across state boundaries.

PROCESSING -- Indiana should encourage local agricultural production and processing to place Indiana products on consumer tables. This should include development of regional centers to enable entrepreneurs to move their products through product creation, replication, legalization and marketing to the end user. Indiana should encourage customers to choose products that are produced and processed by Indiana farmers. Indiana companies should be encouraged to identify all key market outlets for homegrown products and expand marketing beyond the state's boundaries.

### **Recommendations**

- ⇒ **A-15:** Develop and promote regional processing incubators to partner with existing business assistance organizations. IDOC and SBDCs should be the leaders in this development.
- ⇒ **A-16:** Use partnerships of appropriate local, state and federal agencies to identify food security issues and implement consumer protections.
- ⇒ **A-17:** Create an agricultural ombudsman position, modeled after the Indiana Department of Commerce position, within the Office of the Commissioner of Agriculture to assist producers and agribusinesses through the regulatory process.

FINANCIAL - Opportunities exist for vertical market integration, nontraditional farm production and solid off-farm employment to improve Indiana family income and quality of life. Vertical integration can be achieved by regional processing centers and market development. However, access to financial capital is needed. Nontraditional farm

production possibilities should be explored by our land grant institutions and regional cooperative centers.

### **Recommendations**

The state of Indiana should:

- ⇒ **A-18:** Attract risk capital for value-added ventures. The state should re-shape and reinvent existing agricultural loans (i.e. Treasurers Agricultural Loan Program, Indiana Development Finance Authority) and grant programs (i.e. Value Added Grant Program) into micro-loan programs. The creation of an agricultural capital pool for agricultural entrepreneurial ventures is needed to include individual/group projects.
- ⇒ **A-19:** Support regional organizations that assist entrepreneurs (i.e. SBDCs) with gaining access to the agricultural capital pool.
- ⇒ **A-20:** Review and update statutes that may create barriers to bargaining units or cooperatives.
- ⇒ **A-21:** Consider creating agricultural enterprise zone legislation. The criteria should consider agricultural input and output as opposed to traditional business development measures (i.e. numbers of job created).
- ⇒ **A-22:** Create incentives such as tax credits, indemnity program for liability issues, tax abatements and cash to leverage federal programs and private assets.
- ⇒ **A-23:** Update and improve insurance and risk management tools.
  - This may require creative solutions, such as modeling the Indiana Grain Indemnity Program.

### **Production**

Indiana has a versatile land base and temperate climate that allows for production of a variety of commodities. We must protect our natural resources through the promotion of good soil and water conservation practices. Policy tools are needed to protect prime farmland from conversion to real estate development, shopping malls, housing developments, etc. Conversion is irreversible and Indiana must do a better job protecting this critical resource.

The changing landscape in rural Indiana makes it difficult to define typical and atypical agricultural production pockets in Indiana. The migration of Hoosiers to rural areas also creates challenges for state and local government with regard to the protection of agricultural production (i.e. planning and zoning).



### **Recommendations**

- ⇒ **A-24:** Encourage Purdue University's School of Agriculture to continue research and development of crops that allow farmers the opportunity to diversify their production.
- ⇒ **A-25:** Conduct marketing studies to develop alternative uses for agricultural products, thereby improving the agricultural economy.
- ⇒ **A-26:** Make appropriate education and marketing assistance available before launching new product endeavors.

### **Education**

Vital elements in making Indiana agriculture competitive with neighboring states include:

- More education,
- Better utilization of available resources,
- Counseling,
- Development of business plans,
- Applying marketing initiatives and
- Improved understanding financial statements.

Many agencies and learning institutions already provide technical assistance. They include:

- U.S. Department of Agriculture–Rural Development,
- Indiana Department of Commerce,
- Small Business Development Centers,
- Senior Corps of Retired Executives,
- Purdue University, County Extension Services, and
- Many others.

Farmers often resist seeking assistance due to their independent nature. Better educational opportunities on the interaction of agri-tourism, farmer's markets, health department regulations, WIC programs, etc. should be available to agricultural entrepreneurs as Indiana farmers become more interested in alternative crops. There is a need for increased training and cooperative facilities such as kitchen incubators.

### **Recommendations**

The state of Indiana should:

- ⇒ **A-27:** Educate community leaders on the relationship between agriculture and economic development services.

- ⇒ **A-28:** Expand the Indiana Agriculture Leadership Institute's Agricultural Leadership Program to provide a "basic" course in community leadership taught by graduates of the program.
- ⇒ **A-29:** Coordinate technical delivery systems available in the state. These include:
- Local Economic Development Organizations,
  - Resource Conservation and Development Districts,
  - SBDC's,
  - USDA,
  - Technical Assistance Program at Purdue,
  - Indiana Farm Bureau, and
  - Others.

## Conclusion

Indiana lags behind surrounding states in helping those within agriculture redefine their role in the food chain. Consensus is growing among Hoosier producers that change will be required to create sustainability in agriculture. Although a small number of commercial agricultural operations will continue to produce bulk commodities, the vast number of Indiana farmers will not.

Indiana's manufacturing base allows many producers the availability of off-farm income to sustain their livelihood. It is important to remember we must enhance the competitiveness of our existing manufacturing base while also striving to bring new business to our rural economic base.

Many opportunities exist for producers to form new alliances focusing on adding value to agricultural products or the creation of new niche markets. This new form of economic base may or may not result in the creation of "new" jobs. However, it will create sustainability within a locale. While these recommendations will not guarantee success within the agricultural community, they will help Hoosier producers redefine their traditional agricultural role. This focus group requests that each reader give serious consideration to the consequences of the Hoosier agricultural community if no action is taken.

**FOCUS GROUP REPORT**

**ON**

**SOCIAL AND CULTURAL**

**ISSUES**

## Overview

The Social and Cultural Issues group first met on March 15, 2002 to discuss issues facing rural Indiana. The result of this initial meeting was a long list of issues and concerns categorized into four areas. This was done to more effectively communicate the needs of rural communities and develop recommendations based on those needs. These four areas include:

- ❑ **Adaptability** – the concept of adapting to change, a focus on the future of the community;
- ❑ **Livability** – issues of quality of life in the rural community;
- ❑ **Mobility** – access to resources, culture, services, etc;
- ❑ **Prosperity** – creating opportunities to prosper in rural communities;

The development of issues within these four areas led to recommendations found at the end of each section of the report.

### I. Adaptability

Adapting to change cuts across the economics, demographics, and the growth of a community. There were several issues identified that require attention, each within five different areas. These five areas provided a context for developing recommendations for the state legislature to address the social and cultural issues of rural Indiana.

#### A. Learning

1. To some degree, without institutions to bring new ideas into rural areas, this service may not be adequate in rural areas. Different concepts of learning will need to be considered.
2. There is a need to promote further education among individuals in the manufacturing field, providing opportunities for skill development as a form of higher learning for individuals not interested in pursuing college or university degrees.
3. One of the functions of a community planning process is to educate the community as a whole.
4. Leadership development opportunities will help existing and potential leaders become aware of their community and better skilled in effective leadership. The Indiana Leadership Association (ILA) can assist in this area. ILA is a statewide organization made up of representatives from community leadership programs and community building organizations across the state.

B. Responding to Changing Situations

1. Address the changing face of the economic community: As examples, the huge dairies and other operations affecting the quality of life (water contamination issues), downtown and retail changes including economic deterioration, the resistance to any type of change, and bank consolidations taking away the local decision making.
2. The demographic changes that challenge the future of the community include:
  - Young people chasing opportunities in metropolitan areas or out of state, leaving an aging population in rural areas, and
  - Limited day care and pre-school facilities that prevent the attraction of new generations to the community.
3. The change in the social needs of the rural community: basic skills of adult workers – literacy, math literacy, computer literacy, ESL, etc., and training centers with more flexible hours to fit community needs.
4. Address social problems through rehabilitation efforts rather than incarceration (e.g. “We are building too many jails and not enough community centers.”).
5. Focus on youth. Encourage positive alternatives to activities that lead to incarceration.

C. Innovation

1. There is a need to invest in innovative ideas such as value-added agriculture (e.g. ethanol plants that add value to corn production).

D. In-migration and Challenges

1. Assimilate the large in-migration of Hispanics and other ethnic groups into our culture and learn from their cultures. A recent report from the Indiana Commission on Hispanic/Latino Affairs provides specific documentation on this need.
2. Gain a better understanding of all cultures and address the resistance to integration that may exist in some rural communities.
3. Value diversity in our communities – address integration of diverse populations into rural communities in a balanced approach that is sensitive to the intergenerational differences within the community.
4. Address the issue of English as a second language and making certain that instruction is part of the methodology in the school, workplace and that funding for such programs is available.

5. Educate/assist urbanites moving to rural areas who are challenged by the different social values in these communities.

E. Fostering a “Rural Renaissance”

1. Communities need to actively engage in planning exercises, and to involve residents in defining the vision for their future. The reality is rural communities are different than urban communities in some respects, but the same in other respects. Land use is an issue that both urban and rural communities face.
2. Identify the positive qualities of rural Indiana and move forward as a community without losing this identity. Create an identity that is desirable.
3. There is a certain mindset that the number of organizations necessary to meet the needs of a community is based on population. This approach overlooks the significant needs of rural communities. Drug problems exist in both rural and urban communities.

**Recommendations**

**SC-1:** Utilize and expand community leadership programs in rural areas. Look for new models from around the country and the state to address challenges in areas with fewer resources.

**SC-2:** Challenge the Non-Profit Resource Network to look at additional services to support the “rural renaissance” through the five resource centers.

**SC-3:** Recognize and collaborate with religious congregations, especially those with new immigrants, through arts programs. Many rural congregations are first-line providers to these new immigrants.

**SC-4:** Expand trade school opportunities in high schools as a means to educate youth on alternatives to college/university education.

**SC-5:** Encourage the use of regional planning commissions. Rural communities served by regional planning commissions are often better informed about available resources.

**SC-6:** Find creative ways to educate communities, legislators and organizations through “peer-to-peer” learning opportunities. Share success stories with communities across the state.

**SC-7:** Increase the state’s investment in value-added agricultural programs.

**SC-8:** Find and encourage non-invasive employment opportunities – those that do not damage the environment, air and water quality, but still maintain the “rural” quality of life.

## **II. Livability**

The “livability” of rural communities addresses quality of life issues that all communities face. In rural communities, this category captures the issues of growth, well-being, and the things that make rural communities unique and wonderful.

### **A. Quality of Life**

1. Recognize that the definition of “quality of life” differs person-to-person, community-to-community.
2. Promote the richness and diversity of life in rural communities.
3. Remember quality of life is an important feature in the evaluation of communities by economic developers.

### **B. Valuing Education – Lifelong Learning**

1. Indiana ranks lower than most states in the percentage of those with secondary education degrees. This is particularly true in rural areas.
2. Cultures that value education enhance both high school and higher education participation. Many adults have the attitude that if they didn’t make it through high school and turned out fine, their children do not need to seek higher education (or even high school degrees).

#### ***Case in Point***

Communities in Schools (CIS) of Wayne County is a non-profit organization that works to improve the effectiveness of social services to students and their families. In June 2001, CIS conducted a Community Assessment and determined that “failure to complete a high school education decreases the potential to become productive members of society and contributing members of the local workforce.”

3. Workers must see a value for increasing their educational level.
4. Promote education opportunities among individuals in the manufacturing field that provide opportunities for skill development.
5. The value and availability of life-long learning affects many other areas of the quality of life in rural communities.

### **C. Social and Cultural Infrastructures**

1. There is a shortage of venues and climate for art and culture in rural areas.

2. There appears to be a disparity in the number of non-profits in rural areas. The Indiana Humanities Council and the Polis Center are currently conducting a research project to identify non-profit associations throughout the state. This perceived absence of voluntary organizations results in the community's needs going unmet. These organizations can assure access to services provided through non-profit organizations and connect residents with outside resources that may exist. Consider models that are working (i.e. step ahead councils).
3. Look to other non-profits that could expand their services to address unmet needs as an alternative to creating new non-profits.

**D. Poverty**

1. There is a sense of pride in rural communities –the rural attitude is that they don't need social services.
2. Demographics show that poverty is a constant part of the landscape in rural communities and sets the basic parameters.
3. Sewers and high cost issues impact rural communities limiting what people challenged to pay their bills can do.
4. There is a lack of health care clinics in rural communities.

**E. Community Planning**

1. There is a lot of frustration in getting people plan and create a vision for the future of their community.
2. Other barriers to effective community planning include a lack of resources and expertise.
3. Many people in rural areas have great ideas, but there is a need to find a way to bring them together. Community planning should include community learning (having leaders in the communities their own capabilities and potential).
4. Addressing agricultural zoning issues when considering planning is critical to solve the challenges rural communities face with respect to growth and expansion.
5. There is a need to improve the infrastructure in rural communities. For example, the lack of telecommunications access in rural areas prohibits economic development. Communities need tools to meet these needs.
6. There is a need for coordinated planning as there are many different agencies at the local level. Community planning should include all the different levels.



**F. Clean Air and Clean Water**

1. Seventy percent (70%) of septic systems in Indiana are in failure. Alternative systems are expensive.
2. There are concerns in the rural communities of environmental contamination from large livestock operations. The Department of Environmental Management's Confined Animal Feeding Operations regulations and permitting program will protect clean water.
3. Rural communities have a general feeling of well-being. Residents feel safe and secure.
4. Drug problems in rural communities are isolated and not receiving the attention they do in urban communities.
5. There is a need to ensure that families feel safe in their homes.
6. Public safety – need to make rural communities and residents aware of the programs and plans in place.
7. There is a perception that rural communities are left behind in the effort to address the issues of homeland security.
8. Create a climate for health and wellness in rural communities. Address the lack of medical facilities in rural areas.

**Recommendations**

**SC-9:** Encourage community policing as an assist to formal law enforcement operations. Rural values include looking out for one another.

**SC-10:** Recruit law enforcement officers who represent the diverse cultures in our communities. The Indiana State Police does not have any state troopers who speak Spanish in southern Indiana.

Develop tools to enable:

**SC-11:** Communities to solve their own issues. Indiana's philanthropic community and other organizations should empower and encourage rural communities to use their local talents.

**SC-12:** Promote training programs offered outside of Indianapolis.

**SC-13:** Emphasize education. The State Student Assistance Commission of Indiana should be more aggressive in promoting their 21<sup>st</sup> Century Scholars program to eligible students.

**SC-14:** Sustain funding for schools to continue offering arts classes.

**SC-15:** Encourage organizations such as local libraries to support art.

**SC-16:** Create enrichment opportunities and programs to reach out to rural communities (i.e. universities, arts commission, AmeriCorps, etc.).

**SC-17:** Survey taxpayers to determine how they value these types of programs, and if they'd be willing to pay higher taxes to ensure these services.

**SC-18:** Review charitable tax credit programs to give incentive for philanthropic giving to these causes.

**SC-19:** Encourage the Indiana Department of Environmental Management (IDEM) and other appropriate state agencies to address the overall septic system failure in rural communities, as well as to enforce potential contamination from agricultural operations. This should be done in a way that is less punitive, providing rural communities with the support to improve such systems. IDEM should provide positive, innovative incentives for action, such as opening funding programs to meet the specific needs in rural communities.

**SC-20:** Encourage the Indiana Department of Transportation (INDOT) to find creative ways to utilize rest areas to encourage tourism.

**SC-21:** Ask state regulatory agencies (Department of Environmental Management and Department of Health) to explore less expensive alternative systems for septic issues. For example, aeration systems could replace the more expensive mound-style field beds.

### **III. Mobility**

The issue of mobility presents a challenge to rural communities on many levels. The lack of adequate transportation prevents some of the very basic needs and opportunities from being addressed. Though transportation can be a challenge to communities of all sizes, it is of great importance in rural communities where the resources of the downtown are a great distance from many homes.

#### **A. Universal Rural Need for Transportation**

1. Access basic needs is a challenge for all residents, particularly poor, elderly and immigrant populations.
2. Society promotes the use and ownership of personal vehicles that presents negative identification with the use of public transportation.

#### **B. Access to Services/Employment**

1. There is a need to make jobs and social services as convenient and on-site as possible in rural communities.

**C. Access to Art and Culture**

**D. Key Attribute of Rural Life**

**E. Barriers to Mobility (low density)**

1. There is no funding or technical assistance available to help communities address the challenges of mobility.

**F. Digital Divide**

1. Include access to services and resources.

**Recommendations**

**SC-22:** Encourage the creative use of 15-passenger vans no longer used by the schools (i.e. book mobiles, church access, etc.).

**SC-23:** Coordinate rural feeder systems if high-speed rail systems are developed.

**SC-24:** Address railroad crossing safety for this new transportation.

**SC-25:** Utilize networks established by the Communities in Schools programs and share these resources with other areas of the state.

**IV. Prosperity**

This category addresses the concept of creating opportunities for rural communities to prosper. The goal is to ensure that certain key resources and structures are in place to support communities that are in the best position for economic development.

**A. Shifting Agricultural Economy**

1. The efficiency of large agricultural operations challenges the local family farm operations.

**B. Business Retention**

1. The investments in many of Indiana's businesses are headquartered outside of Indiana and therefore we are not accumulating the mass wealth.

**C. Investment in Youth**

1. There is a need to address the challenge of retaining young people in:
  - Farming,
  - Industry, and

- In-state institutions of higher education.

2. Many rural communities do not address future opportunities for their young people.

D. Creation and Development of Vision

1. Rural communities need to plan. This starts with the development of a vision for the community's future.

E. New Economy Opportunities

1. The relationship of rural communities to the global economy is a growing concern for success in economic opportunities.

F. Overcoming Digital Divide

G. Funding Opportunities

1. The Lilly Endowment accounts for 70% of all grant making in the state. Community Foundations are an important resource for funding to rural communities.

2. Although it is undocumented, there appears to be a lack of other philanthropic resources in Indiana.

3. The availability of resources to rural communities is limited and federal funding program restrictions keep certain areas from qualifying based on demographics (i.e. poverty level, graduation rates).

4. Educate rural communities about federal and competitive grant opportunities.

5. Encourage rural communities to utilize regional service systems and explore regional solutions to their issues. For example, through the regional Workforce Investment Board (WIB), southeastern Indiana is conducting a youth asset-mapping project to document services in the region.

### **Recommendations**

**SC-26:** Local communities need legislative authority to increase revenues to solve local issues.

**SC-27:** Rural communities often cannot compete for federal and state grants due to the population density.

**SC-28:** Rural communities need help in identifying resources in order to compete for available funds. For example, the Lilly Endowment offers match grants. Less

prosperous counties find it difficult to raise funds to maximize this assistance. Creativity and flexibility for possible match sources would be helpful. Wayne County's Communities in Schools program leverages additional funds for services for youth and families that support educational attainment.

**SC-29:** Grant writing assistance is needed. Looking at the success of the Faith Works program across the state, mainly small community-based organizations are accessing federal dollars to provide FSSA services.

**SC-30:** Bank consolidations threaten the decision making at local level, affecting philanthropic giving at the local level. There needs to be an education campaign to reach those decision makers out of state. Encourage community leaders to reach out to those decision makers whose decisions impact their communities.

**SC-31:** Encourage the State Chamber of Commerce to have the corporate community embrace the idea of a standard for community giving.

**SC-32:** Create a statewide coordinating agency, or a series of regional coordinating agencies, to bring other foundation funding into the state.

**SC-33:** Develop a simplified program for all available funding sources and a directory of all the existing sources, both private and governmental. This directory should include sample projects where multiple funding sources were combined on a project.

**SC-34:** Develop a partnership between rural areas and existing programs such as the Indiana Youth Service Association (which does not have a strong presence in rural communities).

**SC-35:** Identify an opportunity for the youth voice to be heard.

**SC-36:** Promote service-learning opportunities for youth.

**FOCUS GROUP REPORT**

**ON**

**TECHNOLOGY**

**AND**

**EDUCATION**

## Background

In 2001 the Indiana General Assembly passed legislation charging the Indiana Rural Development Council (IRDC) with creating an economic development strategy for rural Indiana. IRDC, with Lieutenant Governor Joseph E. Kernan, coordinated 10 focus groups to assist in the drafting of the Rural Economic Development Strategy that will be issued to the General Assembly in the fall of 2002.

The new economy for Indiana is high-tech. Indiana must compete with other states for the higher wage earning jobs associated with high-tech, keeping in mind that manufacturing firms, existing businesses and farmers also have a need for technology and telecommunications. The Technology/Education focus group was charged with the question: “What is needed in rural communities with regard to technology and education to enhance Indiana’s competitiveness compared to other states?”

The Technology/Education focus group met twice in March and April 2002, to discuss technology and education issues and develop possible recommendations. Due to the general nature of this report, terms such as “technology,” “education,” and “telecommunications” are used in the broadest sense to allow for a comprehensive review of this subject. As action on these issues moves forward, more detailed definitions of the terms will be necessary.

## Discussion Topics

### A. Digital Divide

What is it and how does it affect Indiana? Many are familiar with the term “digital divide,” but interpretations of its meaning range from a lack of infrastructure (i.e. fiber optics and physical connections) to a lack of knowledge (i.e. corporate readiness for high-tech business). Easy and economical accessibility to Internet Service Providers (ISPs) and computing devices determines an individual’s position along the digital divide more than income or ethnicity. Additionally, demand for and access to Internet services and other advanced telecommunications services influences a community’s position along the digital divide. Ninety percent of public schools in the state are wired for local area networks and Internet access. Local government, health care facilities and public safety buildings are not wired to the same degree.

Lack of high-speed access is also more prevalent in rural communities than in urban/suburban ones, with accessibility determined by cost as well as by telecommunications infrastructure options. Inequalities also exist in terms of the quality of service available. Local service providers may not have access to the best equipment and network connectivity. Additionally, while state and federal governments provide funding assistance to extend water and sewer infrastructure, very few program dollars exist to help extend telecommunications service.

Telecommunications infrastructure in the U.S. is an integral part of U.S. economic development and is somewhat of a hybrid. Although privately owned, the operation and use of this infrastructure is subject to various degrees of federal, state and local regulation. The U.S. Telecommunications Act of 1996 attempts to transition the traditional, regulated telephone and cable monopolies toward a more competitive market model. Technology is providing new alternatives such as wireless and satellite communications services. In addition, the telecommunications infrastructure must be considered an integral part of the U.S. national security system. Failure to coordinate statewide telecommunications capacity and compatibility results in critical communications disruption during emergency management activities.

The potential exists for including some measure of telecommunications infrastructure planning and deployment under federally funded programs for homeland security in Indiana. Additional opportunities exist for implementing regulatory and legislative changes to make information deemed “proprietary” by individual service providers more accessible to community and economic development planners.

### **Recommendations**

#### **Policy:**

**TE-1:** Authorize a cooperative arrangement between private service providers and local governments to provide needed technology services to rural regions, counties and municipalities. This would allow partnerships to address the problem locally. There are seven parts to this recommendation:

- Needs identification,
- Local ISP service;
- Long-distance arrangements;
- Internet software;
- Internet hardware;
- Training; and
- Maintenance.

Planning done in isolation does not leverage other rural areas’ efforts. Government agencies at all levels should work together.

#### ***Case in Point***

In its Long Range Plan, the Historic Hoosier Hills Resource Conservation and Development Council states as one its goals pertaining to Economic Development Opportunities, “Establish a six-county Community Network within the Southeastern Indiana Datafication service area.”

**TE-2:** Issue a statewide directive that would inspire localities to identify and put in place needed local infrastructure.



**TE-3:** Establish a telecommunications/technology circuit rider to serve as a resource for local leaders and community technology initiatives, helping with such matters as needs surveys or negotiations with service providers so that the communities' long-term goals are achieved and their interests better served.

**TE-4:** Identify regional solutions to meet the critical mass and provide telecommunications services in an economic fashion.

**TE-5:** Introduce legislation to require a centralized statewide repository for information about planned, new telecommunications infrastructure development. Such a repository would allow others developing infrastructure to share costs and reduce delays and public inconvenience. Utility excavations, for example, are recorded at the county or local levels, thus fragmenting information and making it practically inaccessible (due to time/resource constraints – rather than due to the proprietary nature of the information). House Bill 1210, introduced during the spring 2002 legislative session, would have accomplished this.

**TE-6:** Charge INDOT with developing broad participation on its focus group to identify barriers for co-locating telecommunications infrastructure within public right-of-way along state highways (pursuant to 2002's House Enrolled Act 1378).

**TE-7:** Evaluate opportunities for synergy with Project Hoosier SAFE-T. This project is the statewide initiative to deploy compatible communications solutions for all public safety, fire, and emergency personnel.

**TE-8:** Identify successful initiatives implemented by other states that encourage deployment of needed telecommunications infrastructure or services. For example, establish a reasonable statewide per-utility-pole fee for deploying fiber optic cables and create broadband initiatives such as ECom-Ohio and LinkMichigan.

Outreach/Awareness:

**TE-9:** Identify ONE organization to serve as a clearinghouse for telecommunications information (e.g., inventory of available services and resources, matchmaker, etc.).

**TE-10:** Utilize public-private partnerships to conduct a bi-annual assessment of telecommunications services in rural Indiana. This assessment should identify patterns of usage and need to determine the extent of the "digital divide" in different parts of the state.

**TE-11:** Promote examples of positive service through organizational newsletters, conferences, etc.

**TE-12:** Develop a package of model legislation that encourages easier accessibility to telecommunications capacity and deployment information.

**TE-13:** Facilitate the convening of a telecommunications summit conference, perhaps at one of the state universities or at Indiana Higher Education Telecommunication System (IHETS). Invite all stakeholders (including service providers, legislators, business owners, community developers, etc.) to attend. This would preferably take place prior to the start of the regular general assembly session.

**TE-14:** Assist with statewide telecommunications infrastructure studies.

Deployment:

**TE-15:** Make state highway rights-of-way available for siting fixed wireless broadband access. This may require an economic and legal feasibility study in order to attract private investment. (In 2002, the Indiana General Assembly passed HB1378, which mandated creation of a focus group to identify barriers to locating multi-tenant fiber optic communications infrastructure within highway rights-of-way maintained and owned by INDOT. The focus group's findings are due no later than November 1, 2002.)

**TE-16:** Encourage sharing space on cellular towers, public buildings, and other existing structures (e.g., silos) for wireless services.

**TE-17:** Identify current and anticipated training needs for digital telecommunications maintenance and support within rural communities.

**TE-18:** Develop programs or expand existing ones (e.g., TECHfund) to address the training needs identified above.

Funding:

**TE-19:** Create a fund to partner with small communities to bring a more advanced telecommunications infrastructure to their areas.

**TE-20:** Work with the Indiana Homeland Security Office to include coordinated telecommunications planning and deployment as part of the federally funded program.

**TE-21:** Pursue federal funding opportunities for deploying communications infrastructure related to telemedicine and rapid bio-terrorism information dissemination through the Indiana State Department of Health.

**TE-22:** Explore the possibility of developing an Indiana-based model for bio-terrorism information dissemination as a component of the federally funded projects such as the one recently awarded to Lilly.

## **B. Economic Development**

What is needed to attract businesses with a higher technology component to rural Indiana? State and local entities focus on traditional infrastructure needs such as water, sewer, transportation, etc. Improvements to telecommunications and Internet infrastructure are also needed to attract, retain and expand innovative, “New Economy,” tax-paying businesses and value-added agriculture businesses. Even Indiana’s strong base of manufacturing firms is becoming more dependent on telecommunications infrastructure to compete for work as well as for workers.

Concerns about critical mass, or a lack of population density, are very real for those counties that are primarily rural. While working to diversify our economy, it is also vital to focus on increasing the competitiveness of our existing manufacturing base, which is increasingly dependent on information technology processes and telecommunications.

### **Recommendations:**

#### **Policy:**

**TE-23:** Authorize a cooperative arrangement for developing telecommunications services to rural regions, counties and municipalities. This would allow local partnerships to address economic development challenges and opportunities that require more advanced technology applications. Tools to promote technology-based economic development include: local ISP service; high-speed telecommunications service; computing devices; Geographic Information Systems (GIS)-based data; technical and end-user training; and maintenance.

**TE-24:** Issue a statewide directive that would inspire localities to put in place local infrastructure.

**TE-25:** Utilize public-private partnerships to conduct a bi-annual assessment of telecommunications services in rural Indiana. This assessment should include a telecommunications services gap analysis for existing and prospective businesses, especially manufacturing companies.

**TE-26:** Establish a telecommunications circuit rider to help local leaders in their negotiations with service providers so that the communities’ long-term interests are protected.

**TE-27:** Explore regional solutions, which could meet the critical mass for economically providing service.

#### **Outreach/Awareness**

**TE-28:** Identify ONE organization to serve as a clearinghouse for telecommunications information.

**TE-29:** Promote case studies, particularly examples from the manufacturing industry, that highlight the value of technology investment both in terms of customer satisfaction, market competitiveness, and operating efficiency through organizational newsletters, conferences, etc.

#### Deployment

**TE-30:** Make state highway rights-of-way available for siting fixed wireless broadband access. This may require an economic and legal feasibility study in order to attract private investment.

**TE-31:** Encourage sharing space on cellular towers and other existing structures for these services.

**TE-32:** Identify opportunities for streamlining business operations by using online applications for certifications, permits, continuing professional development and license renewals.

#### Funding

**TE-33:** Provide financial incentives so that economic development officials can help provide services to smaller businesses located in areas of low population density. Traditional state infrastructure development programs need to be re-examined and modified to recognize the technology demands of industry and communities today. As an example, the Indiana Department of Commerce's Industrial Development Grant Fund and Community Focus Fund programs have been expanded to include telecommunications infrastructure projects.

**TE-34:** Create a fund to partner with small communities to bring telecommunications infrastructure to their areas.

### **C. Worker Retention**

Why are students graduating from Indiana colleges going to places like Silicon Valley, Seattle and Chicago, instead of staying in Indiana? Indiana's economy has evolved from being predominantly agricultural in nature to a blend of agriculture and manufacturing. Positions requiring high tech skills are not abundant or perceived to be available in rural areas. At the same time, successful farmers have adopted technology. Both agriculture and manufacturing will be part of Indiana's future, although their "look" will change.

## **Recommendations**

### **Policy:**

**TE-35:** Review the Indiana Fiscal Policy Institute's report on "Brain Drain" in Indiana. The efforts of the Indiana Technology Partnership should also be coordinated. Ensure that rural Indiana is participating in these processes.

### **Outreach/Awareness:**

**TE-36:** Utilize and/or model the Indiana internship program at local levels, and support proven initiatives such as those sponsored by INITA's (CareersINsite) and Indiana Health Industry Forum to expand their talent retention activities more vigorously throughout the state.

### **Funding**

**TE-37:** Implement a "tuition forgiveness" program for students that rewards them for staying and working in Indiana after graduating from a state university.

**TE-38:** Encourage locals to track area high school graduates and then communicate with them about opportunities in the local areas. If they chose not to return, communities need to ask why.

## **D. Education**

### **Inventory of Needs**

A statewide inventory and mapping of the existing telecommunications infrastructure should be performed. Such an evaluation should describe service availability, type and quality; service providers; network performance; and cost. An additional survey should be conducted uniformly throughout the state in accordance with Computer Systems Policy Project (CSPP) recommendations to understand which areas are underserved, where demand is anticipated, and how gaps in service delivery can be addressed. CSPP is a national association of leading information technology firms.

While information about the telecommunications industry is necessary, using this infrastructure to further educate rural residents is the final goal. IHETS has a satellite service that provides for the distribution of educational courses to over 330 sites in Indiana. In addition, IHETS has over 160 sites that provide educational courses over the Internet. IHETS also is currently working with National Public Broadcasting and WFYI to use all PBS stations throughout Indiana to distribute to people's homes throughout the state.

### **Recommendations**

**TE-39:** Utilize public-private partnerships to conduct a bi-annual assessment of telecommunications services in rural Indiana. This assessment should identify patterns and determine regional or local approaches. What are the implications of this data? Illinois and Ohio have conducted studies, which are available at [www.cspp.org](http://www.cspp.org).

**TE-40:** Convene regional workshops to discuss results of any statewide telecommunications infrastructure studies. Develop action plans.

**TE-41:** Convene a statewide telecommunications conference that brings together different media and service providers together (wire, wireless, cable, ISP, educators, legislators, etc.).

### **Knowledge building**

There is an emerging need for local system administration staff in all 92 counties to work with the public (i.e. local governments) and private (i.e. non-profits and businesses) sectors. These system administrators ideally would have the same type of training and resources available statewide. Although Allen County is not generally considered rural, local leadership is assertively addressing telecommunications needs by hiring a chief technology officer. This initiative could be modeled elsewhere in the state.

Partnerships between manufacturing companies and communities should be formed to meet the training needs of the community as a whole. Legislators need to be made aware of, and solicited for their help in addressing, technology issues. A technology caucus can be organized to prepare legislative strategies for lowering barriers to needed technological improvements, such as telecommunications infrastructure.

Lack of awareness and coordination of services continues to be a problem in all of Indiana! Many organizations are “reinventing the wheel.” A central organizing entity would leverage information sharing, promote common solutions, provide technical assistance, track progress, as well as break down turf barriers.

### **Recommendations**

#### **Policy:**

**TE-42:** Encourage local leaders, through financial incentives, to develop cooperative regional solutions for solving their own problems.

**TE-43:** Determine if the state, through the use of the Indiana Telecommunications Network (ITN), wants to become a provider of last resort for those entities that cannot access services from a private provider in a timely and financially accessible way.

Outreach/Awareness:

**TE-44:** Identify ONE organization to serve as a clearinghouse for telecommunications information and programs that are available. This organization should be given the authority to develop a statewide telecommunication plan.

**TE-45:** Establish public/private technology councils to address needs at the local level. These councils should work with the state-authorized organization on technology plans.

**TE-46:** Capitalize on the telecommunications and other technical training and assistance available through our existing educational networks. Companies might not be aware of needed specialized training that is provided by Indiana's higher education institutions.

**TE-47:** Facilitate continued conversation on telecommunications issues so that local officials, who are ready to work on the problem, are aware of available technical and financial resources. The IRDC Technology/Education focus group could prepare a "dog and pony" show for association conferences and other public information opportunities.

Deployment:

**TE-48:** Utilize telecommunications capabilities of local school systems and public libraries to encourage life-long learning.

**TE-49:** Identify opportunities for telemedicine and other services, such as remote continuing professional development and licensing.

**TE-50:** Create system administrator positions in all 92 counties. Establish a forum where they can meet on a regular basis to discuss issues and resolve common problems.

**E. Equipment**

Consistency of technological approach throughout the state among all layers of government will shift the emphasis from the deliverer of services to the recipient: the citizen. County officials should be networked to one another within local government and to the statehouse. Guidelines should be established to reduce the incidence of incompatibility due to "mismatched" software. Training on common platforms and information-sharing sessions for mutual assistance should be instituted to leverage experience and improve service to citizens.

**Recommendations**

**TE-51:** Encourage all units of local governments to participate in the State Quantity Purchase Agreements with respective individual service providers or vendors to increase the affordability of technology purchases.

**TE-52:** Allow and encourage universities to extend purchasing power to local governments. Universities get great deals from large vendors for purchases.

## **F. Legislation**

Legislators and other elected officials must be made aware of the importance of telecommunications and technology infrastructure.

### **Recommendations**

**TE-53:** Review current telecommunications law and proposed legislation.

**TE-54:** Support legislation to develop a central repository for telecommunications capacity deployment information. Use the existing state high-speed network as the provider of last resort for communities unsuccessful in acquiring such service from private telecommunications providers.



## 2002 Rural Economic Development Strategy Focus Group Members

Ms. Roslyn Amor	Rural Services of Indiana, Inc., Lakeville
Mr. Phil Anderson	Indiana Beef Cattle Association, Indianapolis
Mr. Charles Andres	Town of St. Leon, West Harrison
Mr. Larry Andrews	Nappanee Community & Economic Development, Nappanee
Ms. Beth Archer	Indiana Agriculture Leadership Institute, Danville
Mayor Herb Arihood	Mayor of Rensselaer, Rensselaer
Mr. Kevin Armstrong	Polis Center, Indianapolis
Mr. Ron Arnold	Daviess Co. Growth Council, Washington
Ms. Vivian Ashmawi	Wayne Co. Communities in Schools, Richmond
Dr. Janet Ayres	Purdue University, West Lafayette
Ms. Janice Bacon	Morgan County Commissioners, Martinsville
Mr. Bill Bailey	Town of Seymour, Seymour
Mr. Wayne Bailey	Jay County Community Development, Portland
Mr. Mike Baise	Indiana Farm Bureau, Indianapolis
Mr. Kelly Barmann	USDA Rural Development, Indianapolis
Mr. Bob Batta	Council Member, Sunman
Ms. Debbie Beavin	Indiana 15 Regional Planning Commission, Ferdinand
Mr. Bud Beesley	Jennings County Growers, North Vernon
Mr. Jim Benham	Tobacco Grower's Association, Versailles
Dr. William Beranek	Indiana Environmental Institute, Indianapolis
Ms. Julie Berry	Jefferson County Commissioner, Madison
Senator Mark Blade	Indiana State Senator, Terre Haute
Mr. Dwayne Bontrager	Town of Topeka, Topeka
Mr. David Bottorff	Association of Indiana Counties, Indianapolis
Mr. Jeffery Bowe	The Resource Development Group, Indianapolis
Mr. Matt Brooks	Association of Indiana Counties, Indianapolis
Ms. Scott Burgins	SDG, Inc., Bloomington
Ms. Linda Butts	Town of Cayuga, Cayuga
Ms. Odetta Cadwell	Indiana Rural Water Association, New Palestine
Mr. John Caton	Gove & Associates, Indianapolis
Ms. Christine Chapman	Newton County Economic & Community Development, Kentland
Mr. Rob Clark	Attorney General's Office, Indianapolis
Mr. Jim Coffenberry	West Central Indiana Economic Development District, Terre Haute
Mr. Gary Conant	Historic Hoosier Hills RC&D, Versailles
Mr. Jim Conner	Town of Winamac, Winamac
Mr. David Cox	SDG, Inc., Bloomington
Ms. Susan Craig	Southeastern Indiana Regional Planning Commission, Versailles
Mr. Dan Deardorff	Newton County Economic Development, Kentland
Ms. Jenny Dearwester	Southern Indiana Development Commission, Loogootee
Mr. Allen DeForest	USDA Rural Utilities Service, Bloomington
Mr. Jeff Devers	Region 3-A Development District, Kendallville
Mr. Charley Dibble	Greene County Economic Development, Bloomfield
Mr. Wayne Dillman	Farmers Union, Martinsville

Ms. Janet Ditmire	Housing Assistance Office, Inc., South Bend
Mr. Richard Dodge	Indiana Association of County Councils, Pleasant Lake
Ms. Renee Doty	EDC of Wayne Co., Richmond
Mr. John Doyel	Montgomery County Economic, Crawfordsville
Mr. Anthony Dzwonar	Office of the Utility Consumer Counselor, Indianapolis
Mr. Charles Eads	Indiana University/IRLP, Bloomington
Mr. Galen Eberhart	Southeastern Indiana REMC, Osgood
Mr. Mike Edmondson	Sen. Evan Bayh's Office, Indianapolis
Ms. Ronna Edwards	Federal Home Loan Bank of Indianapolis
Mr. Jay Ferguson	M.D. Wessler & Associates, Indianapolis
Ms. Elaine Fisher	Center for Economic and Community Development, Muncie
Mr. Brad Ford	Central Indiana Power, Greenfield
Senator David Ford	Indiana State Senate, Hartford City
Ms. Debby Francis	Rural Rental Housing Association, Plainfield
Rep. William Friend	Indiana House of Representatives, Macy
Mr. Ed Gerardot	Indiana Community Action Association, Indianapolis
Ms. Kim Gerhardt-Fritz	Ball State University College of Architecture & Planning, Indianapolis
Ms. Laura Gibbons	Indiana Rural Development Council/IACT Foundation, Indianapolis
Mr. Steve Gilliland	Harrison County Community Foundation, Corydon
Rep. Terry Goodin	Indiana House of Representatives, Indianapolis
Mayor William Graham	City of Scottsburg, Scottsburg
Ms. Judy Gray	Orange County Economic Development Partnership, Paoli
Dr. Fay Greckel	New Albany
Mr. Rick Hall	Barnes and Thornburg, Indianapolis
Mr. Michael Harmless	Crowe Chizek, Indianapolis
Ms. Susie Harmless	Indiana Department of Commerce, Indianapolis
Mr. Dennis Harney	IN Manufactured Hsg Assoc/Recreational Vehicle IN Council, Indpls.
Mr. Craig Hartzer	Indiana Department of Workforce Development, Indianapolis
Mr. Jerry Hay	USDA Rural Development, North Vernon
Mr. Randy Haymaker	Hoosier Energy REC, Inc., Bloomington
Mr. Duane Hazelbaker	SBC Ameritech, Indianapolis
Senator Brandt Hershman	Congressman Steve Buyer's Office, Monticello
Mr. David Hess	Elkhart County Administrator, Goshen
Mr. Cress Hizer	Agribusiness Council of Indiana, Indianapolis
Dr. John Huie	Purdue U./Department of Agriculture Economics, West Lafayette
Ms. Helen Humes	Mooreville Economic Development Commission, Mooreville
Mr. Dustin Ingram	IN Rural Community Assistance Program, Indianapolis
Senator Robert Jackman	Indiana State Senator, Milroy
Mr. Tony Jackson	City of Charlestown,
Ms. Judy Jochen-Nino	Farbest Foods, Huntingburg
Mayor Tom Johnson	City of Dunkirk, Dunkirk
Mr. Marion Kasten	Pulaski County Commissioner, Winamac
Ms. Cinda Kelley	White County Industrial Foundation, Monticello
Dr. Eric Kelly	Ball State University, Muncie
Mayor Gail Kemp	Mayor of Huntingburg, Huntingburg
Ms. Michaela Kendall	Indiana Department of Commerce, Indianapolis
Ms. Sharon Kendall	Indiana Department of Commerce, Indianapolis
Ms. Mindy Kenworth	Noblesville Main Street, Noblesville

Ms. Nancy Kinder	Eastern Indiana Development District, Liberty
Ms. Jenny Knobel	Indiana Manufacturer's Association, Indianapolis
Mr. William Konyha	Tipton County Development Corporation, Wabash
Mr. Robert Koohns	Orange Township Trustee, Connersville
Mr. Robert Kovach	Ivy Tech North Central, Elkhart
Ms. Jennifer Kurtz	Indiana Dept. of Commerce, Indianapolis
Mr. Paul Lake	Pike County Growth Council, Petersburg
Ms. Wendy Landes	Indiana Housing Finance Authority, Indianapolis
Mr. Chris Larson	Kankakee-Iroquois RPC, Monon
Ms. Kathy Latz	Wood-Land-Lakes RC&D, Kendallville
Mr. Ron Lauster	USDA Natural Resources Conservation Service, Indianapolis
Mr. Phil Lehmkuhler	Indiana Tobacco Prevention and Cessation, Indianapolis
Rep. Claire Leuck	Indiana House of Representatives, Fowler
Mr. Brian Liechty	Kankakee Iroquois Regional Planning Commission, Maron
Mr. Tom Lightle	ReVision, Fort Wayne
Mr. Rick Lopez	Randolph County Economic Development, Winchester
Mr. Bob McCormick	Planning with Power, West Lafayette
Mr. Tim McGann	Human Resource Investment Council, Indianapolis
Ms. Martha McIntire	City of Seymour
Mr. Thomas McKenna	Indiana Department of Commerce, Indianapolis
Dr. Kevin McNamara	Purdue University, West Lafayette
Mr. Randy Moore	Arrowhead Country RC&D, Winamac
Ms. Valerie Morris	Southern VI Corporation, Huntingburg
Mr. Don Morrison	Ecologistics Limited, West Lafayette
Ms. Marilyn Morrison	Town of Warren, Warren
Ms. Stephanie Morse	Consulting Engineers of Indiana, Indianapolis
Mr. Tom Morton	Indiana Association of Cities and Towns, Indianapolis
Mr. Jerry Musich	Quality for Indiana Taxpayers, Indianapolis
Ms. Deb Myers	Ohio Valley Opportunities, Madison
Mr. Rick Nagel	Indiana FFA, Trafalgar
Mr. Kenneth Neff	Neff Realty, Montpelier
Dr. David Neidert	Anderson University, Anderson
Mr. John Niederman	Pathfinders, Huntington
Mr. Gary Nielander	Peru/Miami County EDC, Peru
Mr. John Nidlinger	USDA Farm Service Agency, Indianapolis
Senator Johnny Nugent	Indiana State Senate, Lawrenceburg
Mr. Riley O'Connor	Land Resource Council, Elkhart
Mr. Kim Orlosky	US Representative Mike Pence's Office, Muncie
Ms. Jamie Palmer	Center for Urban Policy & Environment, Indianapolis
Mr. Sanjay Patel	VS Engineering, Inc., Indianapolis
Mr. Bruce Paul	Congressman Baron Hill's Office, Jeffersonville
Mr. Robert Peacock	Scott County Economic Development Corp., Scottsburg
Mr. Joe Pearson	Office of the Commissioner of Agriculture, Indianapolis
Ms. Marty Peters	Office of the Governor, Indianapolis
Mr. Willis Pettet	Jasper County Commissioners, Rensselaer
Mr. Dick Philips	Mexico Sewer Board/R. L. Philips, Inc., Mexico
Mr. Christopher Pieri	Northern Indiana Public Service Co., Merrillville
Mr. Bruno Pigott	IDEM/Environmental Management, Indianapolis

Ms. Terri Porter	US Dept. of Housing & Urban Development, Indianapolis
Mr. Dan Preston	EDC of Wayne Co., Richmond
Mr. Bob Quadrozzi	Jay County Development Corporation, Portland
Ms. Joni Quinn	Big Brothers/Big Sisters of Bartholomew County, Columbus
Mr. Jack Ragland	SIEDC, New Albany
Mr. Lane Ralph	Sen. Richard Lugar's Office, Indianapolis
Ms. Kathy Rampley	Workforce Development Concepts, Odon
Mr. Jim Ranfranz	Northwestern Indiana Regional Planning Commission, Portage
Mr. Dick Reel	Purdue University Cooperative Extension, LaPorte
Ms. Sarah Reymann	Indiana Rural Community Assistance Program, Indianapolis
Mr. Shawn Reynolds	IU International Programs, Bloomington
Mr. James Rice	EMC Of Indiana LLC , Columbus
Dr. David Rice	Southern Indiana Rural Development Project, New Harmony
Mr. John Riemke	Towns of Albion and Avilla, Kendallville
Ms. Mary Jo Robinson	Orange County Extension Office, Paoli
Ms. Amber Roos	Indiana Commission on Community Service & Volunteerism, Indpls.
Ms. Sherry Rose	Wabash Valley Power Association, Wabash
Mr. Tom Rugh	Indiana Association of United Ways, Indianapolis
Mr. Shauna Runkle	Jay CO. Leadership Academy, Portland
Ms. Pam Sander	Ripley County Economic Development Corporation, Versailles
Ms. Joanne Sauder	Town of Grabill
Mr. Mark Savinski	U.S. Rep. Peter J. Visclosky's Office, Gary
Mr. John Scott	Town of Bargersville, Bargersville
Mr. Gene Schmidt	Farmer, Hanna
Ms. Jill Segaesser	River Hills Regional Planning Commission, Jeffersonville
Mr. James Segedy	Ball State University, Muncie
Mr. Steve Seifert	Bonar Group, Valparaiso
Mr. Bill Shaw	US Dept. of Housing & Urban Development, Indianapolis
Mr. Frank Shelton	Indiana Rural Health Association, Terre Haute
Ms. Kate Sipes	Indiana Department of Commerce, Indianapolis
Senator Becky Skillman	Indiana State Senator, Bedford
Mr. James Soper	Alliance for Indiana Rural Water, Indianapolis
Mr. Rich Stazinski	Human Resource Investment Council, Indianapolis
Mr. Joe Steele	USDA Rural Development, Indianapolis
Mr. Michael Strahl	USDA Rural Development, Jasper
Mr. Rick Streepy	Workforce Development Concepts, Odon
Mr. Robert Sunman	Indiana State Department of Health, Indianapolis
Mr. David Terrell	Terrell and Associates, Madison
Mr. John Thompson	Midwestern Engineers, Inc., Columbus
Mr. Mark Thornburg	Indiana Farm Bureau, Indianapolis
Mr. Steve Thrash	Servo, LLC, Indianapolis
Dr. Graham Toft	Hudson Institute, Indianapolis
Ms. Sandi Treaster	Vermillion Co. EDC, Clinton
Ms. Elizabeth Troy	Partners In Business, Winchester
Ms. Margaret Tucker	Owen County Recorder, Spencer
Mr. Ed Tully	Indiana Higher Education Telecommunication Systems, Indianapolis
Mr. Joe Tutterrow	Indiana Land Resource Council, Indianapolis
Mayor Richard Ullrich	City of Aurora

## Indiana Rural Development Council

Mr. Tom Utter	Lincoln Economic Development Corporation, Rockport
Mr. Pat Vercauteren	Indiana Department of Workforce Development, Indianapolis
Mr. Richard Wahlman	Farmer, Butlerville
Mr. David Wagner	Millennium Environmental, Carmel
Mr. Bill Walker	Johnson County Commissioner, Franklin
Mr. Greg Wathan	Perry County Development Cooperation, Tell City
Ms. Darcie Webster	Intelenet Commission, Indianapolis
Ms. Kathi Whalen	Bank One, Louisville
Mr. Robert White	USDA Rural Development, Indianapolis
Ms. Ruth Whyde	Commonwealth Engineers, Indianapolis
Mr. Matt Wirth	Bonar Group, Scottsburg
Mr. Richard Wise	Indiana Rural Community Assistance Program, Indianapolis
Ms. Janice Wolfe	US Small Business Administration, Indianapolis
Ms. Linda Wood	Indiana Small Business Development Council, Madison
Senator Richard Young	Indiana State Senate



**Indiana Rural Development Council**  
**ISTA Center, Suite 414**  
**150 W. Market Street**  
**Indianapolis, IN 46204**  
**Telephone: 317.232.8776**  
**Fax: 317.233.1571**  
**Website: [www.IN/gov/irdc](http://www.IN/gov/irdc)**

**The Indiana Rural Development Council is a partnership of local, state, federal, profit and not-for-profit stakeholders that support Indiana communities. The IRDC's purpose is to coordinate efforts of citizens and governments to meet the economic and social needs of rural Indiana.**